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## ART. I.—COMMERCE AS A LIBERAL PURSUIT.\*

BEFORE an association numbering among its members many who have embraced some one of the numerous pursuits of commerce, it may seem strange and almost misplaced to argue, or debate upon a truth, which to such auditors must seem self-evident.

Yet there are portions of our own country, so emphatically a commercial one, where this truth, self-evident among us, seems not to be understood; and it was the language used on a public occasion, and in a body of distinguished men, in regard to the mercantile classes, that led to the selection of the topic which it is now proposed to discuss.

Not very long ago, a convention of our southern states was held for the purpose of devising means to resuscitate, if possible, the prosperity of the planting states on the Atlantic, and especially to recover that portion of the carrying trade, and of the direct trade, with Europe, in which some of their seaports formerly participated.

In the address put forth by this convention, and which was understood to be drawn up by Mr. McDuffie, this passage occurs, and it is quoted in the nature of a text to the observations afterwards offered.

"The staple-growing states," says Mr. McDuffie, "can never be practically independent, and enjoy the full measure of the bounties which Providence has so lavishly provided for them, until the commerce which is founded on their valuable productions, shall be carried on by our own merchants permanently resident among us, whether they be native or adopted. The pursuits of commerce must be liberalized.

"The commercial class must be elevated in public opinion to the rank in society which properly belongs to it!! The avocation of the merchant requires as much character and talent, and is of as much dignity and usefulness, as any other pursuit or profession, and the sense-

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\* A lecture delivered before the Mercantile Library Association, by CHARLES KING, Esq., and now first published in the Merchants' Magazine.

less prejudice which could assign to it an inferior rank, has been blindly borrowed from those ancient republics and modern despotisms, whose policy it was to regard war as the only honorable pursuit. As agricultural productions, which find their market principally in foreign countries, constitute the almost exclusive source of our wealth, the mercantile class is as indispensable to our prosperity as the agricultural. Their interests are inseparably identified, and whatever affects the prosperity of the one must have a corresponding influence on the other. How much then does the general welfare of the staple-growing states depend upon diverting into the pursuits of commerce, a large portion of the capital, the character, and the talent which have been hitherto directed too exclusively to agriculture and the learned professions? It is the deliberate opinion of the committee that no one change could be made in our pursuits, that would so largely contribute to the public prosperity—and that those public-spirited citizens who shall take the lead in this new career of useful enterprise, will deserve to be regarded as public benefactors."

From this extract it will be distinctly perceived and felt, that in the staple-growing states—as those states are somewhat presumptuously called which raise cotton and tobacco, but do not raise wheat—commerce is not deemed a liberal pursuit, and that the force of public opinion, backed by the sense of pecuniary interest, is invoked, in order to encourage and stimulate men of character, capital, and talent, to embark in a vocation under the ban of what is properly characterized as a "senseless prejudice."

The object of the following remarks will be to show how very "senseless" in truth this "prejudice" is, how irresistible the claim of commerce to be deemed a "liberal pursuit," and how eminently absurd the pretensions of assigning an "inferior" social rank to those who cultivate it.

We speak of commerce in its most comprehensive sense, and of course as embracing the numerous cognate pursuits which go to make up the vast whole, and all which partake in a greater or less degree of the liberalizing influence claimed for the profession itself.

The first great claim to be asserted for commerce is, that it is the antagonist of war, and of all the crimes and misery of which war is productive. Hence it is well said in the extract just quoted, that it was "the policy of ancient republics and modern despotisms, who consider war as the only honorable pursuit, to depreciate commerce."

The history of the distant and of the recent past, is alike full of instances in proof of this position; but it would lead us too far away, and occupy too much time, to go into details. The fact, however, challenges contradiction, that, as the genius of commerce acquires influence and sway, the fierce spirit and bloody rites of war are gradually subdued, and of less frequent celebration. Not to the jealous honor, nor the rapacious vengeance of military leaders, or feudal barons, is the appeal on questions of war and peace now made, but to the mighty, far-reaching, and diversified interests created, set in motion, and controlled by a class of men, upon whom the steel-clad soldiers were wont to look down in disdain. Nay, so great is the change effected in public sentiment in this matter, that these very warriors are now frequently made subsidiary to the wants of commerce, and are valued and entertained to a considerable extent.

in order to afford security and protection and permanence to its peaceful pursuits.

It is to enable the merchant to follow out his distant enterprises in safety, that proud navies ride over trackless seas, and armies themselves, are sometimes the escort of the trading caravan.

"The age of chivalry is gone," happily gone—regretted only by romantic dreamers and poetic lays—and to it has succeeded, what in the beautiful lyrics on Alnwick Castle, one of our truly inspired poets has called—not admiringly perhaps, a "bank note age," in which

The Duke of Norfolk deals in salt,  
The Douglas in red herrings,  
And guerdoned sword and titled land,  
Are powerless to the notes of hand  
Of Rothschilds, and the Barings.

Long may this "bank note age" endure, for its very name implies settled order, equal laws, mutual trust, industry, contentment, and peace.

#### COMMERCE IS THE NURSE AND COMPANION OF FREEDOM.

The first dawn of liberty, in the middle ages, was in the free cities of Spain and Italy—cities founded, inhabited, and defended by men of trade—merchants, mechanics, and artisans, devoted to, and flourishing and gaining strength by their perilous, yet gainful callings, while all around were predatory barons, at the head of their unreasoning serfs.

"As soon," says the historian, (Robertson,) as the cities of Italy "began to turn their attention towards commerce, and to conceive some idea of the advantages they might derive from it, they became impatient to shake off the yoke of their insolent lords, and to establish among themselves such a free and equal government as would render property secure and industry flourishing."

The fruits anticipated from a free and equal government were speedily realized, and monarchs and feudal superiors were glad to concede to these cities immunities, which in return enabled them to supply the wastefulness of war, and the barbarian prodigalities of military debauch in time of peace. Free corporations spread all over the continent of Europe, and their influence on government and manners was not less salutary than extensive.

"A great body of the people," says the same author, "was released from servitude, and from all the arbitrary and grievous impositions to which their wretched condition had subjected them. Towns, upon acquiring the right of community, became so many little republics, governed by known and equal laws. Liberty was deemed such an essential and characteristic part in their constitution, that if any slave took refuge in one of them, and resided there during a year without being claimed, he was instantly declared a freeman, and admitted a member of the community." \* \* \* \* \*

"The acquisition of liberty made such a happy change in the condition of all the members of communities, as roused them from the inaction into which they had been sunk, and the wretchedness of their former state. The spirit of industry revived. Commerce became an object of attention, and began to flourish. Population increased. Independence was established, and wealth flowed in."

The superior refinement, and more abundant comforts and conveniences of life, consequent upon these causes, reacted both above and below—civilizing and taming the wild spirit of the warlike barons, and elevating the character and the hopes of the free laborer and artisan. Bound no longer to the soil, nor forced from the cradle to the grave to labor on it for the benefit of a master, in the immunities of these cities, the freeman recovered the feelings of self-respect; a renewed consciousness of the dignity of his nature; and with these came the desire and the faculty of raising himself by his own industry in the social scale.

Of Barcelona especially, a free city of Spain, the following account is given by a countryman of our own, whose recent history of Ferdinand and Isabella, has already, by the consent of Europe and America, taken its place among the works that cannot die.

"Barcelona," says Mr. Prescott, "claims the merit of having established the first Bank of Exchange and Deposit in Europe, in 1401—it was devoted to the accommodation of foreigners, as well as to her own citizens. She claims the glory, too, of having compiled the most ancient written code among the moderns of maritime law now extant, digested from the usages of commercial nations, and which formed the basis of the mercantile jurisprudence of Europe during the middle ages. The *Consulado del Mar* was published about the middle of the thirteenth century.

"But the peculiar glory of Barcelona was the freedom of her municipal institutions. Her government consisted of a senate or council of one hundred, and a body of regidores or counsellors, as they were styled, varying at times from four to six in number; the former intrusted with the legislature, the latter with the executive functions of the administration. A large proportion of these bodies were selected from the merchants, tradesmen, and mechanics of the city. They were invested not merely with municipal authority, but with many of the rights of sovereignty. They entered into commercial treaties with foreign powers; superintended the defence of the city in time of war; provided for the security of trade; granted letters of reprisals against any nation who might violate it; and raised and appropriated the public moneys for the construction of useful works, or the encouragement of such commercial adventures as were too hazardous or too expensive for individual enterprise.

"The counsellors who presided over the municipality were complimented with certain honorary privileges not even accorded to the nobility. They were addressed by the title of *Magnificos*; were seated with their heads covered in the presence of royalty; were preceded by mace-bearers, or lictors, in their progress through the country; and deputies from their body to the court were admitted on the footing, and received the honors of foreign ambassadors. These, it will be recollected, were plebians, merchants, and mechanics. Trade never was esteemed a degradation in Castile."—*Prescott*, Vol. i. p. 112, &c.

We could readily add to these instances from the admirable history just quoted, but contenting ourselves with commending that work to the perusal of all who unite, with a high relish for literary perfection, a just and patriotic pride in the eminent success of a countryman, in the difficult path of historical composition, we pass to the next branch of our subject.



## COMMERCE IS THE CIVILIZER AND REFINER OF NATIONS.

It has already been seen how, under the operation of this potent cause, the spirit and excesses of war were at an early period restrained, and how—first, villages, then towns, and then nations, rose and prospered just in proportion to their industry and peace. As wealth accumulated, new desires sprung up, and these in turn gave impulse and employment to new devices of industry, and a more extended scope to adventure.

The protection of a regular government, and the consciousness of security both in person and in property, leaving the mind free from solicitude, it naturally sought to exercise itself in the boundless fields of inquiry open to it. Science, learning, taste, were eagerly cultivated, and the contempt for knowledge that characterized the unlettered soldier, was succeeded by zealous application to those studies which soften the manners while they improve the heart. It is in the nature of such causes to be contagious. Hence all improvements spread rapidly from nation to nation. It is one of the high privileges of commerce to disseminate principles equally with the produce of the earth and of the industry of man's hands. The richly freighted argosy careering over distant seas, carries in its bosom a freight more precious than its most precious wares, in the cultivation, the knowledge, and the intellectual and moral improvement of the people from among whom it goes forth.

In all times it has been commercial nation that have advanced civilization. The Phœnicians, insignificant in their territory, have left a deathless name as a commercial people, and even in defeat, the genius of their institutions asserted its power.

It was the obstinate resistance made against Alexander by the merchants of Tyre, that first inspired him with a due conception of the value of commerce. Accustomed to march from conquest to conquest, and to see "men in nations" at his feet, this great soldier found himself long and fearfully baffled by a mere trading city. He carried it at last only through the treachery of those allies who should have aided in defending it.

The sagacity of Alexander was not long in profiting by the lesson then learned, and the noble city of Alexandria built by him, at the mouth of the Nile, attested to long ages after, by its opulent and successful commerce, that the conqueror had not mistaken or misapplied the causes of such greatness. Up indeed to the close of the fifteenth century, this famous commercial mart founded by a soldier, 333 years before the birth of Christ, maintained its ascendancy—which was only then yielded to a new achievement of commerce—the revelation through the voyage of Vasco de Gama of the passage to India round the Cape of Good Hope.

The Carthaginians and the Greeks offer additional illustrations of the remark that commercial nations are the pioneers of civilization, and the history of the Romans confirms it, as it were by contrast—for it is well remarked by the Abbé Raynal, that "The Romans with their warlike institutions did not, like the Greeks, promote the advance of reason and of industry. They furnish indeed to the world a grand spectacle, but they added nothing to the arts or knowledge of the Greeks.

"It was by binding nations to the same yoke, and not by uniting them through the means of commerce, that they increased the intercommuni-

cation among men. They ravaged the earth, and when they had subdued it, the repose that ensued was a lethargy. Their despotism and military government oppressed the nations, extinguished genius, and degraded the human race."

In more recent times the Genoese, the Venetians, and the Pisans, while aiding the wild adventures of the crusaders, and supplying them with munitions, arms, and transports, imparted, even to such a host, perceptions of a better state of things than barbarous war. These perceptions were indeed dim and faint, but their influence was eventually manifested among the nations to which the warriors belonged, and in most of the countries of Europe, the germ of a more refined taste was coeval with, and consequent upon, the return of the crusaders.

To come still nearer to our own day. We have only to advert for an instant to the discovery of our own continent—the greatest achievement of the spirit of commerce—the noble prize of the courage and perseverance of "the world-seeking Genoese," the merchant-sailor, Columbus. The mighty influence of this event, and the discovery of the passage round the Cape of Good Hope, upon the destinies of nations—in being, and yet to be—sufficiently attests the fact of the refining and civilizing tendencies of commerce.

#### COMMERCE IS AVERSE TO MONOPOLIES AND RESTRICTIONS.

The day has long since passed when it was believed that the prosperity of one country could only be promoted at the expense of some other country, or that in dealings between man and man, the gain of one must necessarily be the loss of the other. The genuine commercial spirit, which is destructive to all sorts of monopolies, has taught us that reciprocal benefit is the surest basis of trade, and in proportion as obstacles and restrictions are done away, that the natural sagacity and self-interest of individuals lead them to the most advantageous results. Hence the *laissez nous faire*, which was the despairing supplication of the French merchants to Colbert, who fancied he understood their interests better than they did themselves—is now an axiom universally received, though not, it must be admitted, always practically carried out. It is this spirit, which, in the language of McCulloch, "enables every separate country to profit by the peculiar natural powers and acquired skill of all the others. While, on the other hand, it communicates to them whatever advantages it may enjoy. Every nation is thus intimately associated with its neighbors. Their products, their arts, and their sciences are reciprocally communicated; and the circulation that is thus excited and kept up, forces *routine* to give place to invention, and inspires every people with zeal to undertake, and perseverance to overcome, the most formidable tasks. It is not possible to form any accurate notion of what would have been our condition at this moment, had we been confined within our own little world, and deprived of all intercourse with foreigners. We know, however, that the most important arts, such as printing, glass-making, paper-making, &c., have been imported from abroad. No doubt we might have invented some of them ourselves, but there is not a shadow of ground for supposing that we should have invented them all, and without foreign example and competition, we should hardly have carried any of them beyond the merest rudiments."

What is true in this matter of nations, is equally true of smaller com-

munities; of towns, villages, and neighborhoods. The original guilds and crafts, and the various municipal regulations, whereby the prosecution of certain trades was restricted to those free of the city, were all at variance with the true commercial spirit which inculcates the widest and freest competition, and finds its best aliment and surest prosperity in throwing down all barriers to the unlimited and illimitable spirit of individual enterprise. This truth, moreover, is comprehensive and of universal application. If, in minor things, it forbids restraints upon the exercise of individual faculties in such a way as individual interest may suggest, it in like manner forbids them in all others. If it be adverse to its spirit to declare by law that only so many persons shall pursue a particular calling, as that of shoemaker, tailor, butcher, or blacksmith; and to prescribe the rules under which even these licensed persons shall carry on their business, it is not less so to enact laws by which the business of an auctioneer or a banker shall be subject to a special regulation, or altogether forbidden. Controlling reasons of state necessity may, indeed, sometimes constitute an exception—not to the truth, but to the application of the rule—that all pursuits may, and should be left to the regulation and control of individual interest and individual enterprise, always, of course, in subordination to the constitution and laws of the land. But these exceptions are rare, and like exceptions in general, serve rather to confirm than to invalidate the rule.

COMMERCE IS THE PROMOTER OF PUBLIC IMPROVEMENTS AND OF THE  
MECHANIC ARTS.

Under this head a volume might be written in elucidation of the various and manifold encouragements afforded by commerce to the exercise of human ingenuity, in promoting the welfare and facilitating the intercourse of men and nations. We may not wander far into the tempting theme. Nevertheless, one or two illustrations cannot be passed over.

Take for example the noblest, and much as we who are dwellers on the seaboard are familiarized with it, still the most magnificent and striking of man's physical works—a ship. What can be more daring than the first conception of such a structure! A combination of frail and perishable materials, thrown upon a strange and dangerous element, pathless, treacherous, and indomitable—and yet to which man, impelled by the spirit of commerce, hesitates not to commit himself, his fortunes, and his life! Well has Horace sung—

Sure threefold brass or oak  
Encased his bosom, who first undertook  
To make the frail bark brave  
The headlong fury of the boisterous wave.  
He nor rude South-west feared,  
That warfare which the Northern gusts declared,  
Nor the sad Hyades,  
Nor yet the raging South, whose forceful breeze  
Rules Adria's surgy fate,  
Whether it stills or vexes the rough strait.  
What form of death could fright  
Him, who unmoved, could fix his steadfast sight  
On monsters of the deep,  
The swollen flood, or fell Ceraunia's steep.

On all these perils, however, the commercial mariner calmly looks.

The first traditionary ship of which we have any account is the renowned Argo that bore Jason and his heroic band in search of the golden fleece—an allegory, if the story be not all poetical, intended doubtless to illustrate the golden return which commerce makes to her votaries.

Yet from the good ship Argo antecedent to the siege of Troy—how immeasurable the distance! how unspeakable the progress!—to those floating palaces, complete in all things, which now weekly—between this land then undreamed of in any philosophy—and the British Isles, and Gaul divided into three parts—then as little known to the Greeks as this continent—interchange the produce, the wealth, the literature, and the civilization of two worlds.

Take again the noble war ship—of itself a populous little empire—and compare it, as we see it sometimes floating on our waters, destined to bear our flag and protect our commerce in the most distant seas, with the war galleys and triremes of the elder time, that scarcely ventured to lose sight of the shore—the one laboriously propelled by oars—three-deckers indeed, for bank rose above bank, upon which the oarsmen were seated—the other, to borrow the beautiful imagery of Mr. Canning, “reposing on its shadow in perfect stillness, and anon upon any call of patriotism or of necessity, assuming the likeness of an animated thing instinct with life and motion, ruffling as it were its swelling plumage and putting forth all its beauty and its bravery, collecting its scattered elements of strength, and awakening its dormant thunders.”

But mightier and more wonderful than ships, and controlling, as it were, the elements themselves, subduing them to man's use, and out of antagonist principles of destruction educing safety, strength, and power, behold the steam-engine—for that, too, is the offspring of commerce.

At first the subject of ingenious experiment and learned speculation, until it excited the attention of the practical mind of Watt, steam had found no extensively useful application. But residing in the midst of a highly commercial and manufacturing people, Watt saw in it a power that needed only to be comprehended and controlled, to become almost without hyperbole, the lever that Archimedes sought in vain—a lever that should move the world. He gave to it the study and reflection of his eminently strong and clear understanding, and the result was a combination of machinery capable, like Heaven's lightning, of rending asunder the gnarled oak; or, as with the delicate finger of woman directing the cambric needle in its finest embroidery—now forging anchors for the ship-of-the-line, and anon weaving the gossamer filaments of the aerial scarf that floats from the neck of beauty.

Then came our own Fulton, who carrying upon a new element the combined mechanism and science of Watt, produced the steamboat. This great discovery seems to have been reserved for his day and for this mighty continent, adapted, as it especially is, by its rivers of a thousand leagues, its deep indentures of bays, and its vast inland seas, for the use of steam-propelled vessels.

One example more of improvement due to the genius of commerce will terminate this branch of our inquiry. It is that of railroads. A foreign diplomatist in this country when asked what he thought of the city of Washington, not unaptly replied, “that it was a city of magnificent distances.” In a more extended and not less accurate sense, may it be said, that ours is a country of magnificent distances, and just when



these distances were becoming inconvenient, and our mercurial and restless population were at a loss for some adequate means of more rapid intercommunication, the "iron roads," as the French call them, are introduced, and through the potential agency of steam, again, men and things are whizzed in railroad cars over the surface of the earth, as in steamboats over the surface of the waters—and not only are time and space comparatively annihilated, but hills and dales, and mountains and valleys—and all this, and much more, if time would allow a more extended inquiry, is due to the genius of commerce.

COMMERCE NOT ONLY ENCOURAGES, BUT DISSEMINATES FAR AND WIDE  
SCIENCE AND LITERATURE.

Perhaps this topic has already been sufficiently, though incidentally treated. It shall not therefore be dwelt upon at any length. It cannot, however, but be perceived that "in making the people of each country acquainted with foreign inventions and arts, and in stimulating ingenuity by bringing them in competition with strangers, the influence of commerce is most powerful."

"Commerce," says McCulloch, "distributes the gifts of science and art as well as those of nature. It is the great engine by which the blessings of civilization are diffused throughout the world. It establishes a friendly intercourse among the people of all countries, and makes every one acquainted with the processes carried on and the inventions made, in every corner of the globe. Were any considerable improvement made in any important art, either in China or Peru, it would very speedily be understood and practised in England. It is no longer possible to monopolize an invention. The intimate communication that now obtains among nations, renders any important discovery, wherever it may be made, a common benefit. The ingenious machine invented by Mr. Whitney of the United States, for the purposes of separating cotton wool from the pod, has been quite as advantageous to us as to the Americans, and the inventions of Watt and Arkwright have added to the comfort of the inhabitants of Siberia and Brazil as well as of England."

All this is as true of literature as of art and science. Scott wrote, not for Great Britain, but for civilized man; and oft and again, ere yet the last pages of an *Ivanhoe*, an *Old Mortality*, or a *Kennilworth*, had well passed from the revising hand of their exhaustless author, on the banks of the Hudson, the Ohio, the Amazon, and the Ganges, bright eyes were weeping, and generous hearts were fired, and daring arms were in imagination flung aloft, as the sorrows, the chivalry, or the wrongs bodied forth in these magic pages, moved the sympathetic soul.

Not to his own land alone sang the poet of passion and misanthropy, Byron, but borne on the wings of the winds, his deep tones of sorrow, his writhings of remorse, his perceptions, "all their original brightness not yet lost," of woman's loveliness and purity, his withering scorn of earth and almost of Heaven, reached nearly as soon as uttered, the extremes of the habitable world. To adopt two of his own lines—

"Far as the breeze can bear, the billow's foam,  
Survey his empire and behold his home."

## COMMERCE IS THE HERALD OF RELIGION.

It has not indeed always discriminated, as in the nature of things it could not, between the true and the false, between religion properly so called and superstition—between the messages of the gospel and the glosses of man; but yet it has gone on, spreading what was of itself light and consolation, or what by the necessary investigations or reflections it provoked, led to such blessed consummation.

At the period of the crusaders, religion, or what then was deemed such, was instrumental in advancing commerce, through the inducements held out to the commercial republics of Italy to assist with their wealth, ships, and stores, these martial efforts to rescue the Holy Land.

Religion, too, constituted an important element in the expeditions fitted out at a later period, by Ferdinand and Isabella and their successors, to visit the then newly found world of Columbus. The conversion of the natives was not deemed second in interest to the monopolizing of those vast treasures, with which Cortez and Pizarro astonished and excited their adventurous countrymen. It is indeed melancholy to reflect, how far the thirst for gold, in its excess, both corrupted the faith and hardened the hearts of these commercial propagandists, and how many thousands of innocent creatures were baptized in their own blood, in the name of that Being whose essence is love, and whose most glorious attribute is mercy.

But far different and more gratifying is the spectacle presented in modern days. The command, "go ye into all the world, and preach the gospel to every creature," is now most literally obeyed, and from every commercial nation, together with their vessels of trade, go forth missionaries to proclaim the religion of the Bible—the only religion, even if its divine origin could be doubted by a sincere and earnest inquirer, that is fitted to humble the presumption, to subdue the fierceness, to temper the joys and console the afflictions of this mortal existence.

Reproving the idolatry of the Hindoo—and the dreadful rites of Juggernaut; in despite of the sleepless jealousy of foreigners so unchangeably characteristic of the Chinese—regardless of the cannibal ferocity of the New-Zealanders—wherever, in short, the merchant flag of Christendom is seen—there, raised beside it, and beneath its folds, is the banner of the cross, conquering and to conquer.

Its meek and self-denying soldiers—without arms or physical power—but in the might of a cause that cannot fail, however it may fare with those who seek to extend the knowledge of it—relinquishing home and friends and country, to fulfil their high vocation, wherever and to whatever it may lead them.

No people now would venture to do what is imputed, though on insufficient evidence, to the Dutch, in their earlier attempts to obtain a settlement in Japan—that in order to propitiate the jealousy of the idolatrous natives, they trampled upon the cross. Far, far otherwise, is now the fact, and instead of seeking fortune at the expense of faith, millions are habitually and cheerfully paid from the earnings of the merchant, to extend the benign rule and influence of that faith. And well, indeed, even in a temporal point of view, are the aids thus furnished by commerce to religion repaid. The influence acquired by the missionaries over the heathen, among whom they labor, and the information they obtain of the productions, resources,

and wants of the regions they visit, contribute largely both to the security and comfort of those trading thither, and to the variety, enlargement, and benefits of the trade itself.

Take, for example, the group of the Society Islands—with it Otaheite or Tahiti—deservedly looked upon as the gem of the Pacific. When explored by Cook, the voluptuous and gentle natives of this beautiful island were given up to ignorance, sensuality, and all forms of licentiousness. As far back as the close of the last century, the London society sent missionaries to this island, but for a period of nearly twenty years, no good results were discernible from their efforts. Up to 1808, they could not boast of having made a single convert, and disheartened at the prospect, they abandoned the region, leaving only a few of their number at Eimeo, a smaller island of the group. This, however, happily proved to be good seed, for from Eimeo went forth, soon after, the spirit that regenerated and converted the people. Their king, Pomarre, driven from Tahiti by his rebellious subjects, took refuge at Eimeo. The missionaries approached him in his exile and degradation, and found him open to their teachings to such a degree, that after having with his family been among the most zealous votaries of the ancient superstitions of the land, he made an open profession of Christianity. The cooking and eating of a turtle, before held as a tabooed animal, first publicly announced the change. Several distinguished chiefs followed his example. The daring experiment made by one of them named Hetotte, is particularly recorded by Captain Beechy. It had hitherto been an article of undoubted faith, that whoever should eat any portion of the flesh of a hog offered in sacrifice, would be punished with instant death. Hetotte determined to put this to the proof; and accordingly, stealing a portion of the sacred pork, he retired to a corner, ate it, and awaited in dread suspense the issue. Finding, however, that instead of the threatened doom, he derived from the food the usual nourishment and refreshment, he not only abandoned the superstition himself, but denounced it to all his countrymen. Thence was Eimeo Christianized—which done, Pomarre, after one or two unsuccessful attempts, re-established his authority in Tahiti, overthrew the pagan altars and usages, and brought its people under the dominion of the Christian religion. Eimeo remains, as it should, the centre of that civilization which originated there, and contains a South Sea Academy, a printing-office, and a cotton factory. The art of agriculture, the spirit of commerce, a knowledge of, and a respect for property and the obligations and restraints of social life, now—thanks to missionary efforts, seconded, it is only just to say, in many instances, by the mercantile and military marine of Europe and America—exist where barbarism, licentiousness, and the bloody rites of paganism held undisputed sway.

Look, too, at the Sandwich Islands, more particularly the field of American missionary labors. *Owyhee*—where, in a sudden and unpremeditated tumult, the circumnavigator, Cook, lost his life at the hands of the natives—is the chief island of this group, and is inhabited by a hardy and industrious race, who have been remarkable for their efforts to raise themselves to the level of European arts and civilization. Rio Rio, the sovereign, embraced Christianity in 1819, and abolished all idolatrous worship. He soon after, with his wife, visited England, where they were treated with royal honors; but in which country they both contracted a fever that destroyed them. Owing to this calamity, and to a disputed succession,

no religion was, for some years, substituted for the ancient one that had been abolished. Missionaries from the United States, however, labored zealously among them, and established an extensive influence over the natives. These pious men have, indeed, been charged by some maritime visitors, with having established too austere a system, with proscribing innocent amusements, and requiring such long daily attendance at church as to interfere with the necessary pursuits of industry; but these complaints seem exaggerated, and, beyond doubt, missionary influence has advanced and is advancing the cause of civilization. Schools have been established, in which a considerable portion of the population have learned to read; churches have been erected; a printing-press and newspaper, conducted by one of our own countrymen, have been some years in operation; several school-books, and a great portion of the Bible, have been printed in the language of the natives; the useful arts have been introduced, and a gradual improvement in the manners and the morals of the people has taken place.

Here, then, by the aid of English and American missionaries, who accompanied the trading vessels of the two nations into the distant Polynesian seas, these islands before useless at least, if not dangerous to the hardy navigator, are become regular stopping-places and places of refreshment, and may now be considered as included in the regular commercial lines by which the ocean is traversed. As the route from Great Britain to her Australasian settlements is equidistant nearly by Cape Horn and by the Cape of Good Hope, vessels frequently prefer the former, and touch for supplies at the Society Islands. The Sandwich Islands are situated in the route to the whale-fishery in the Northern Pacific, and in that of the fur trade from the northwest coast of America to China. Hence their harbors are sometimes crowded with American vessels, and American commercial houses are established there.

There, amidst these intra-tropical islands, which but for their lofty mountains, equalling almost in height the loftiest mountain range of continents, and the vast expanse of the surrounding ocean, would, from their nearness to the sun, be little better than arid deserts—the adventurous voyager, after long absence, finds a home, and kindness and refreshment—his own language and his own religious rites. The church-going bell, though sounding amid unaccustomed forests of bread-fruit trees and sandal wood, yet falls even there upon his ear with its sweet familiar tones, recalling mayhap his native village, and its simple, but pious inhabitants, wending their way, in holiday attire, to the temple of the Being, who is God over all. In that hour, and in that far away land, he will think, perhaps, of the parents that watched over his childhood, of the sisters whose tears mingle with the prayers they put up for an absent brother—and he is a better and holier man for such reflections; and let not this be deemed a trivial or inconsiderable benefit—for it is among those which touch and control the finer feelings of our nature, and which amid trials and temptations, recur to warn, to guard, and to save.

Having thus, in a somewhat discursive and rapid historical retrospect, endeavored to establish the claim of commerce to be considered a liberal pursuit, it remains only to apply these general truths to our own times and nation, and to show that in these United States, the commercial classes have well maintained the honor and the usefulness of their vocation.

Like the free cities of the middle ages, this nation had its foundation



in the love of liberty, and in the spirit of commercial adventure. Impatience of political oppression and religious intolerance, founded the colonies—impatience of commercial restriction and of enterprise, toiling not for itself, but for the mother country, made these colonies independent nations. The spirit of liberty gave impulse and vigor to the spirit of commerce, and it in return imparted to liberty a consciousness of strength and a jealousy of encroachment, that took alarm at the most distant approach of oppression. It was of this people that Burke in his splendid speech on conciliation with America, said, "in other countries, the people more simple, and of less mercurial cast, judge of an ill principle in government only by an actual grievance; here they anticipate the evil, and judge of the pressure of the grievance by the badness of the principle. They augur misgovernment at a distance, and snuff the approach of tyranny in every tainted breeze." Nor did this consummate statesman judge this people's daring spirit of commercial enterprise less accurately, than their quick instinctive love of freedom and hatred of oppression. In the same speech he thus describes that branch of maritime adventure, which, to this day, and in spite of the competition of the world, is the peculiar glory and triumph of American navigation—I refer to the whale fishery.

"Pray, sir," exclaimed Mr. Burke, in addressing the Speaker, "what in the world is equal to it? Pass by the other parts, and look at the manner in which the people of New England have of late carried on the whale fishery. Whilst we follow them amongst the tumbling mountains of ice, and behold them penetrating into the deepest frozen recesses of Hudson's Bay and Davis's Straits, whilst we are looking for them beneath the arctic circle, we hear that they have pierced into the opposite region of polar cold, that they are at the antipodes, and engaged under the frozen serpent of the south. Falkland Island, which seemed too remote and romantic an object for the grasp of national ambition, is but a stage and resting-place in the progress of their victorious industry. Nor is the equinoctial heat more discouraging to them than the accumulated winter of both the poles. We know that whilst some of them draw the line and strike the harpoon on the coast of Africa, others run the longitude and pursue the gigantic game on the coast of Brazil. No sea but what is vexed by their fisheries, no climate but what is witness to their toils. Neither the perseverance of Holland, nor the activity of France, nor the dexterous and firm sagacity of English enterprise, ever carried this perilous mode of hardy industry to the extent to which it has been pushed by this recent people—a people who are still, as it were, in the growth, and not yet hardened into the bone of manhood."

This splendid testimony to extraordinary daring and skill was delivered in the British House of Commons, in March, 1775, and after the lapse of nearly two-thirds of a century, it is as just and as peculiarly appropriate, as when first pronounced.

The resistance that led to the emancipation of these colonies, was, as has already been suggested, the result of a mingled apprehension of political oppression and commercial restrictions: and, among all classes that nobly girded themselves for the apparently unequal contest of three millions of colonists, scattered thinly over a wide spread territory, against the concentrated power and might of the ancient British empire—none took their part earlier—none adhered to it more faithfully—none sacrificed for it more largely, than the commercial class.

In that immortal congress that adopted the Declaration of Independence—a monument of liberty in comparison with which the famed Magna Charta sinks into insignificance—sat many merchants. It was the merchant John Hancock that presided over its deliberations, and that first put a bold unshrinking hand to that perilous Declaration. With him in glory and in danger, were the merchants, Robert Morris, and George Clymer, of Pennsylvania; Elbridge Gerry, and Samuel Adams of Massachusetts; William Whipple of New Hampshire; Philip Livingston, and Francis Lewis of New York; Joseph Hewes of North Carolina; and Burton Gwinnett of Georgia. The pledge of life and fortune to the cause with them was a substantial pledge, and nobly, faithfully, and disinterestedly was it redeemed.

It was a merchant of New York, Alexander McDougall, that, after braving the resentment of the colonial Legislature—on the breaking out of hostilities, abandoned his counting house, received the command of a regiment, and in the disastrous battle of Long Island, in September, 1776, and more especially in the masterly retreat, in the face of a triumphant enemy across the East river, signally distinguished himself. He served throughout the war, rising to the rank of Major General; and when it was over, he returned to his commercial pursuits, and became the first President of the Bank of New York.

Again, when during the war, all was gloom and distrust in congress, and the army of Greene in the Carolinas, with the enemy within its grasp, was paralyzed for the want of supplies—without munitions, food or clothing—it was the merchant Robert Morris, that on his own credit, and through his own means, when the country had neither credit nor available means, created resources and organized victory. No one can read the letters written to him at the time by General Greene, nor those by General Washington, without feeling that this testimony to the services of Morris is in no degree exaggerated.

Having thus essayed to make good the proposition originally laid down, and especially to show that however regarded elsewhere, here at least, no pursuit can assume to take precedence, either in dignity, objects or means of that of commerce—and that in all time a contempt of this calling, and of those addicted to it, has been the companion of barbarism, ignorance, or prejudice—it remains only in conclusion to say a few words in the way of practical application, of what may be deemed general truths.

It is obvious to remark of every vocation that, however commendable or honorable in theory, the public estimate concerning it will be formed from the conduct and not from the profession of its followers, from actual experience and not from traditionary or historial honors. Hence the importance not only in an individual but professional point of view, that he who is training himself to the career of a merchant should feel that as he may act his part, will credit or disgrace attach not to himself alone but to a great and honorable brotherhood in which he is enrolled. In this particular our merchants are not sufficiently sensitive. They lack somewhat that *esprit de corps*, that regard for the character and honor of the profession which looks upon a stain on one of its members as an imputation upon all; and which imparts unity of purpose and efficiency of action in all matters connected with its interests or reputation.

In other pursuits, civil or military, this *esprit de corps*, is cherished as

an arm of strength and an incentive to virtue. In effect, as the certainty of being discountenanced and disowned for any unworthy act by his fellow-laborers and associates, must ere now have given pause to many a man when sorely tempted to swerve from his integrity; so, on the other hand, the consciousness that under unmerited imputation he would be long supported by the pride and sympathy of the body to which he belonged, has doubtless nerved many a man to withstand injustice and wrong.

But not only in regard to the character, but to the interests of the profession, is this unity of feeling and sentiment important. The merchants, as a body, are comparatively less felt, in our political relations, for instance, than any other class of men; not, certainly, because they have less at stake in these matters, or are less capable of wisely determining concerning them—but because they have habituated themselves too much each for himself, to pursue his own business, trusting to those who have more taste or more leisure for political inquiries, to take care of the commonwealth. They have not acted together and as a class. This course, which looks very like an abandonment of the sacred trust shared in a republican government by the merchant equally with every other citizen, of watching over the general safety, must, necessarily, tend to throw political power into the hands of those who, feeling they have nothing to expect and nothing to apprehend from mercantile favor or opposition, will be very little concerned to look after mercantile interests.

Politics, as a profession, belong not to the merchant; but attention to political questions, in proportion to their importance—scrupulous discharge of the duty of aiding in the selection of fitting candidates—of that of voting—and of mingling with his fellow-citizens in primary and public meetings, are obligations of good citizenship which a merchant may not rightfully and cannot safely leave unfulfilled.

This point is the more emphatically dwelt upon, because, without committing the indecorum of trenching in any degree upon party grounds, it may be said, probably with universal consent, that if there were, or for some years past had been, a larger infusion of educated and intelligent merchants among our public men, the general course and measures of the government could hardly have been so much at variance, as they now notoriously are, with the interests and feelings of the mercantile classes.

The ethics of commerce must, of course, enter largely into the estimate which the world forms of the pursuit itself, and of those who embrace it. It is the essence of every liberal calling, that its duties should be fulfilled under a high sense of moral obligation. Wherever the interest and feelings of others are in question, a reference to the brief, yet all-embracing injunction, "do unto others as you would be done by," will be found to cover the whole ground of duty, and to present the all-sufficient rule of conduct. Commerce is a mutual interchange for mutual benefit, which neither requires nor justifies the employment of cunning, that counterfeit of cleverness. Good faith and fair dealing, disdain of little advantages, and the frank rectification of unintentional error, lie at the foundation of mercantile honor, and lead as certainly, in the long run, both to reputation and success, as the opposite practices induce suspicion, discredit, and eventual disaster.

I hasten to a conclusion. It has been my aim to vindicate commerce from the illiberal and prejudiced estimate to which it is exposed, even at this period of the world, and in parts of this land of equality, by showing,

that in *all* time its companions have been liberty, science, civilization, morality, and religion,—that its spirit is one of enlarged liberality and benevolence,—that its practices have been in consonance with its spirit, and that wherever it extends, and as far as it extends, it is a benefit and a blessing.

If I have at all succeeded in this undertaking, I may hope it will encourage such of my hearers as may be devoted to mercantile pursuits, to press on with ardor in their career, to cherish it as one surpassed in real dignity by no other, as affording abundant opportunities for the display of the highest talent, and for the development of the most exalted virtues ; and finally, as one, which embracing within its comprehensive range the whole family of man, and pushing its civilizing adventures to the remotest corner of the habitable globe, may proudly take a foremost rank among liberal pursuits, and challenge for itself the title of Universal Benefactor.

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#### ART. II.—EXAMINATION OF THE POLICY OF THE LAWS AGAINST USURY.

[The following lecture, now first published, was one of a course delivered upon mercantile law, ten years ago, to the Mercantile Library Association of Philadelphia. Since that time, the subject has engaged much of the public attention, and many stronger views may have been presented of it than those here given. It was the intention of the writer to present what seemed to him to be a practical, common sense examination of the policy of the laws against usury, suitable to a class generally composed of young men, so far as it could be done in the short space of a single lecture.]

HAVING sufficiently delineated the characteristic features which distinguish an usurious loan of money from those contracts in which an interest is allowed to be taken beyond the legal rate, and pointed out the penalties which, by the law of England, and by that of Pennsylvania, are inflicted upon an offender, we shall dismiss this part of the subject, which may be said to be the legal consideration or view of it. The political question remains ; that is, the wisdom and policy of any such regulations. I cannot promise you to be as decided and explicit in my opinions and conclusions here, as it was easy to be in relation to the law. Whether commercial men have greatly differed or not on this question, I am unable to say, but certainly political economists and legislators have maintained the most opposite doctrines concerning it. It is my intention to present to you the most prominent arguments on both sides ; for the zeal and ability of the respective advocates have left little to be added for either.

Those who have contended against any legal regulation of the rate of interest, have, indeed, as we have shown in the last lecture, to oppose themselves to the practice and experience of many ages and various nations. For more than two thousand years, we know, it has been considered in Europe to be a proper subject of legislative enactment, while every other species of property has been left to be used and disposed of according to the will and contracts of its owner, providing only for honesty and good faith in the transaction. Money, only, has been restricted in its profits and increase, and placed under the government of the law.



We acknowledge the weight of this authority, but we must not shut our ears against the voice of reason, or refuse to give a full and fair audience to those who deny the justice and wisdom of this ancient usage. The change in the condition of society, the great and enlarged improvements in commercial knowledge and dealing, may afford ample reasons for a change in this policy. As to the antiquity and universality of the law against Usury, we must remark, that those against witchcraft are quite as ancient, and have been, at least, as universal. "Thou shalt not suffer a witch to live," was the injunction of the Mosaic law. The punishments of these dreaded criminals continued, ever in this enlightened country, down to a very late day. It is held by the law of England to be an offence against God and religion, and is punishable with death; and this sentence has been inflicted by great and wise judges. This is the reverence for antiquity, and the adoption of ancient laws, without allowing ourselves to inquire into the evidence of the existence of the crime or the reason of the punishment. Since this offence has been stricken out of the penal code of Pennsylvania, we have not suffered more than before by the practices of witchcraft; on the contrary, witches have disappeared with the power to punish them. It may be that we can dispense with the laws against Usury with as little injury; at least the argument of long usage and ancient authority, is much weakened by this as by many other examples.

The disputants, on this question, set out with the sagacity of skilful polemics, each endeavoring to throw the burden of the argument and proof on his adversary. The advocates for the free use of money say, that inasmuch as in relation to all other property, men are permitted to make their own contracts according to their own opinions of their convenience and advantage, to ask and to give what they may think expedient and just for the sale or the hire of any article of property, it is therefore incumbent on those who maintain a different doctrine as to money, to support the exception by clear and satisfactory arguments, or to let money fall under the general rule which is applied to other things of traffic or exchange. The advocates, on the other hand, of the restrictions on Usury, insist, that as money has been an exception to the general rule of property from the remotest time, it falls upon those who question the justice or wisdom of the exception, to make out their case, and to prove it to be impolitic or unjust, before they require the restriction to be removed. All this, however, is but preliminary, and the question should be discussed and decided on a fair, full, and rational consideration of the whole subject, as applicable to the present state of the world. We should not be held, arbitrarily, in the trammels of opinions and systems of former times; great changes have taken place in the business of men; society has altered its relations in many important matters; the rights of persons and property, the interests of trade, are better understood, and conducted on principles widely different from those which formerly prevailed; and these changes have swept away much of the policy and many of the prejudices and superstitions of earlier ages. Still, we should not look carelessly or scornfully at the lessons of experience, because they may be assailed by plausible analogies and ingenious reasoning. We live in an age of inquiry and ratiocination, and in a country where the freest latitude is given to the spirit of examination and improvement. The authority of time goes for little, perhaps too little, and of names for still less. Every

man will have his reason addressed, and his judgment convinced, before he yields his assent to any thing. This is all well, if it run not into licentious excesses ; into a wrangling, skeptical propensity to question every thing, to unsettle every thing ; to demolish or change what has been long received and sanctioned, from the mere love of innovation, or a dangerous indulgence in rash, untried, and undigested theories. We will, then, enter upon our cursory examination—for such it must be—of the question of Usury, with a due respect for the opinions that have been long entertained of it, but without surrendering ourselves submissively to their authority, or refusing to listen to those who have impeached it. We begin with the opposition.

The broad principle taken by *Bentham*, the most distinguished of the opponents of the laws against Usury, is—"That no man of ripe years and of sound mind, acting freely, and with his eyes open, ought to be hindered, *with a view to his advantage*, from making such bargain, in the way of obtaining money, as he thinks fit ; nor anybody hindered from supplying him upon any terms he thinks proper to accede to." Every word of this postulate has been well considered, and it certainly presents, *prima facie*, an imposing front. It seems, indeed, to be almost a self-evident proposition ; and, apart from the right assumed by society to govern men in the use of their property, and to put restraints on their natural rights, it is so. We admit that this right is wise and beneficial, when exercised wisely ; and if the welfare and safety of the community require that a contract for money, or any other contract, should be put under certain restrictions, the right of society to impose them is undeniable.

I hold it to be a sound principle in all governments, whether political or domestic, that *too much law-making*, too much governing, should be avoided, and that the great object of every general regulation should be some important, general benefit. To impose fetters on individuals, unless they be really insane or incompetent to act with reason, to prevent them from injuring themselves, is always of doubtful policy, and a doubtful right. The task of the legislator would be interminable, and as multifarious as the follies of mankind, if he were to undertake this extensive protection of their interests, and to preserve every one from rash and ruinous bargains ; from absurd speculations, and injudicious sales and purchases, which are a much more common and seductive means of wasting an estate than borrowing money at too high a rate. On this system of government, which descends to the personal guardianship of every individual, every species of bad management by which he may injure himself should be interdicted ; every wild project and improvident expenditure would come under legislative superintendence. But nothing of this sort is pretended or could be accomplished. A man may go to ruin in every way he pleases, except by borrowing money. If he wants a thousand dollars under a pressing necessity, or for some beneficial object, he is not permitted to give more for it, whatever may be its real value, than it was thought to be worth by a legislative calculation made a century ago ; but he may make any sacrifice he pleases of his property by way of sale, to obtain the money he wants. He may pay, without limit, any amount, at his pleasure, for horses, for wine, for the indulgence of the most wanton waste and extravagance. There is no prodigality of this description, however vicious, which the law will restrain ; no ruin

it will avert ; no undue price or imposition it will invalidate, short of actual fraud, because it is the contract of parties competent to make their own bargains. In such matters, with the exception of palpable fraud, in experience, necessity, simplicity, a profuse and reckless spirit, are trusted to deal on what terms they may, and the law holds them to their engagements ; but an agreement to pay the merest trifle beyond the legal estimate for the use of money, is utterly void, and followed by severe penalties.

The reason given for this interference, that it prevents a prodigal from wasting his estate, seems to be altogether insufficient for this object, unless it went much further, and put its hand upon the property in his possession, so that he may not sacrifice it by much greater losses than he would incur by borrowing money. Why should he not indulge a spirit of extravagance in hiring money at an exorbitant price, while he may not only encumber, but entirely part with his property, at his pleasure ? or, how is he preserved from ruin by forbidding the first, while the latter is free from all restraint ? Is it not more reasonable to say, that by allowing him to borrow on such terms as the market will afford, and having good property to offer as a security for the loan, he could obtain the money required at a far less loss than will fall upon him, by a forced and untimely sale of his real or personal estate ; for he must and will have the money in the one way or the other ? If the money market were open and free, the borrower, with a fair security, would seldom fail to get it at a fair price, or with no considerable excess ; but if this is denied, and money should be, as it often is, of more value than that fixed by law, the borrower is compelled to obtain it either by an improvident sale of his property, in which advantage will be taken of his necessity, or he must borrow it at an illegal rate of interest, paying the lender not only for the use and value of the money, but for the hazard he is exposed to in thus lending it. This is the result of the legislative protection of a man against himself ; which, like most cases of intermeddling, defeats its own purposes. You will not allow him to pay seven per cent. for the money he wants, and which he might have restored without injury to his estate, and you force him to part irrevocably with that estate at a loss, perhaps, of fifty per cent. In such cases this assumed guardianship of a man's interests and contracts may seriously injure a prudent and judicious borrower, while in the case of a determined prodigal and spendthrift, it will probably hasten, but can never prevent his ultimate ruin. If the effect be doubtful, the prohibition should be removed, because every restraint upon the use a man may make of his own property, ought to be justified by a clear public benefit.

But the laws against Usury are said to be intended not only to protect the prodigal and weak from extortion and ruin, but also to prevent imposition upon those whose necessities may compel them to borrow. This is, assuredly, legislating on very uncertain and unsatisfactory ground. How is it possible to measure the necessity of every case, or to make a rule which will suit all ? A man may have need of money to carry on a business he is engaged in, but must abandon it without this aid, which will return him twelve or fourteen per cent. for every dollar he borrows, and who can therefore well afford to pay seven or eight per cent. for the capital thus obtained. But the law ties his hands ; overrules his judgment ; assumes to know better than he does what he can afford to pay,

and what his industry and skill can make from the loan. You must borrow at the rate that has been decided by strangers to you and your business to be reasonable and tolerable, or you must abandon your whole design. The individual is forbidden to prosecute his own business in his own way, according to his own knowledge and judgment, perhaps with the loss of all he has, and the community is deprived of the advantage of his labor and skill.

The legal rate of interest is that for which it will be lent on a sufficient security, and by suffering no other loans to be made, they are confined to the rich, or to those who have security to give. The honest and industrious man, who has nothing to offer but his personal responsibility for the money he wants, cannot obtain it, because he is not allowed to pay a higher premium than the borrower who gives pledges for its repayment; when, perhaps, by a reasonable addition, which he can afford to give, and the lender would take, he might get an important relief or assistance in his business. What is there unjust or impolitic in permitting such bargains and arrangements to be made? The borrower judges of the price he can pay for the use he will make of the money, and the lender judges of the price he will take, combining the market value of the money with the risk of its ultimate loss from the inability of the borrower to repay it. This risk is fully recognised by the law as a proper ingredient in the calculation of the rate of interest, in other cases, as bottomry and respondentia, and why not in this? If the parties are prudent, they are the best judges of their mutual interests; and may be trusted with their own bargains. If they are rash and prodigal, they have so many broad roads to ruin open to them, more tempting than this, that it is idle to bar this narrow path. A free market for money would produce a fair and regulated competition for it, as it does in relation to every other article of trade and subject of contract, which, generally, would keep its price at a just rate according to the circumstances of the times and of each particular case. Men would be able to borrow at a rate measured by the use they could make of the money; and they would lend on a calculation of its true value, and the hazard of the loan; and this is as it should be. If it is urged that although the prudent and sagacious may be trusted to make these calculations and bargains for themselves, yet we must protect the weak and ignorant from the rapacity of money lenders, the answer, already suggested, occurs, that the remedy is so far short of the evil as to have no practical efficacy, and that to have any real utility, it should be extended to all other dealings in which simple men may be overreached; and this is admitted to be impossible. In truth, of the value of money there is a much more general and easy understanding than of many other subjects of traffic and contract, as to which no attempt ever has been made, or would be practicable, to preserve the simple or improvident from imposition and mistake. There are many that will occur to your recollection, in which the opportunities to take advantage of inexperience, credulity or necessity are more frequent, more easy and more extravagant than happen in the loan of money; and yet such contracts are left to the will and discretion of the parties, without reserve or restriction, or any safeguard beyond the prohibitions of manifest fraud, and the employment of dishonest tricks and contrivances.

It is no uncommon occurrence that a man really possessed of a good



estate and good discretion, may, nevertheless, want, on some emergency, a sum of money, at a time when its true value is higher than the rate allowed by law. But the money must be had; and he is reduced to the necessity of borrowing it in violation of the law, and, of course, of paying the lender a premium to cover all dangers and contingencies, or of selling property, in a depressed and depreciated state, at an immense sacrifice. He will hardly thank the law for this protection of his interests, which forces him to submit to a loss of twenty or more per cent on a sale, rather than allow him to give seven per cent on a loan. The imposition upon him will be increased, because when money is worth more than the legal interest, it will be withdrawn from the market and put to more profitable uses, and the needy will, indeed, be put at the mercy of rapacious and unprincipled usurers.

So far as these views are correct, the laws against Usury would seem to fail in the good expected from them; to afford no effectual protection to the prodigal and the weak, while they impose upon the industrious and enterprising inconvenient restraints, which often shackle their best efforts for advancement, and deprive them of the means of employing their labor and skill for the benefit of themselves and the community. Such are the conclusions to which we are brought by our reasoning on the subject. Whether experience leads us to a different result must be referred to the evidence by which the allegation is supported.

The writer we have mentioned urges, with great force, as an objection to the "anti-usurious laws," that they have a tendency to demoralize a people, by holding out rewards to treachery and ingratitude, and encouraging mercenary informers and vindictive prosecutors. In England the debt and all the securities held for it, are forfeited by Usury, and heavy penalties may, moreover, be recovered from the offender. The temptation is certainly strong for a borrower, perhaps too strong for any but a firm and upright mind, irritated by the belief that some advantage has been taken of him, after he has received the benefit of a loan solicited by himself, to turn upon the lender with the weapons of the law, and refuse to repay even the amount actually paid to him. He may go farther, and prosecute for the penalties of the law, when he was himself a partaker and first mover in the commission of the offence. There is a rank dishonesty and treachery in such a proceeding, which no law should countenance or authorize. It is to feed the worst passions of our nature, *avarice, ingratitude, revenge*, and is a thousand times more pernicious to the individual, as well as to society, than Usury can be in its worst abuses. You are very careful to prevent men from becoming prodigals and wasting their estates, but you will teach and invite them to indulge depravities of the most corruptive and degrading character. The laws of Pennsylvania, as I have informed you, avoid the worst part of this evil; for the contract is annulled only so far as it transgresses the limits of the law, but stands good for the repayment of the sum lent with lawful interest. Yet the borrower may be the informer and prosecutor for the penalties, and may thus reap an iniquitous advantage from a transaction to which he was a willing, perhaps a benefited, party.

There must be reasons, plausible if not satisfactory, why men, who have left all other property free, have considered, and consider the lending of money as a contract of a peculiar character, and properly subjected to peculiar restraints. I cannot but believe that this opinion or impres-

sion has arisen, in the greater part, from early prejudices ; from traditional feelings, and our being accustomed from infancy to hear usurers stigmatized as an oppressive, cruel, and unprincipled class of men. These opinions have come to us from a remote antiquity, and still abide with us as admitted truths, rather than as the conclusion of our judgment from a full and fair examination of the evidence on which they rest, or a due consideration of the change of circumstances to which they are applied. Whether in former days the men who accumulated in their hands the coin of the country for the purposes of traffic, were of a degraded rank in society, and of griping dispositions ; whether they were treated by the great and rich with insult and contumely, and returned their hostility and contempt by ruinous exactions upon the necessities produced by extravagance,—forfeiting and selling, without forbearance or remorse, pledges of land, jewels, and family plate, for the repayment of loans encumbered with enormous premiums ; whether such exactions were not extended to the necessitous of every description, and thus brought the money-lender under a general odium and disrepute, which still adheres to him, we have now neither time nor opportunity to inquire. All this might have been done when the land was in the possession of, comparatively, a few great and noble families, and the money, in the same manner, was gathered by other hands, which parted with it on their own terms, and not with great hazard of loss. But in the present general diffusion of property of all kinds, and particularly of money, no such extortions could be practised to a dangerous extent. Necessity does not press so heavily on the one class as formerly, nor are the means of affording relief so exclusively in the power of a few. Money is now wanted by men of business for the uses of their business, with an expectation and prospect of a speedy repayment, and not by great barons to carry on their wars with no hope of a return but from the pledges given for it, and much danger of an entire loss.

Another reason, however, for the resentment which is entertained against money-lenders, is more obvious and certain, but not more just. We have frequently before our eyes, the distress of an unfortunate or improvident borrower, when payment is called for ; and we, as if by instinct, indulge a sympathy with him, and by the effect of the same feeling, entertain an indignation, without much reflection, for it costs nothing, against the creditor who afflicts him. We do not stop to inquire of the benefit which the debtor received, under perhaps as great, or a greater pressure, by the use of the money he is now required to return according to his contract, on the faith of which he obtained the relief. We do not ask what evils were averted from him by the loan, nor what chance it afforded him to escape from ruin, although not successful, perhaps, by his own fault and mismanagement. We see only his present suffering and the immediate cause of it, and too readily join in a clamor of oppression and cruelty, when there is no other ground for it than that a creditor seeks to obtain, by lawful means, what is lawfully his own. There is in every community, and I think particularly in ours, a strange and mawkish sensibility for every rogue who comes under the lash of the law, however atrocious his crimes ; and for every debtor, however fraudulent, who is pressed for the performance of his promises. The ingenuity of the present time is exerted to prevent murderers and robbers from being made too uncomfortable in their confinement ; and to

encourage debtors in a total and reckless disregard of their most sacred duties and engagements. A creditor (I do not speak of an Usurer) who is pursuing only his just rights by legal means ; who endeavors to enforce the payment of a just debt by the ordinary process of the law, is covered with reproaches by men who, while they insist that he should give up the whole of his demand, would not contribute one hundredth part of it to relieve the debtor from his distress. But pathetic censures and sentimental pity are the cheapest coins of humanity ; they rather enrich than impoverish the donor, and are therefore profusely bestowed, with but little regard to the justice of the claim.

The views we have thus far presented of our subject are not favorable to the laws against Usury. We will, in the same brief manner, exhibit the leading arguments by which they are defended. The first step to be taken by the advocates of this system, is to show some good reason why legislators should interfere to prevent one from injuring himself in this way, when they leave unobstructed so many means by which he may more readily ruin himself. This is a stumbling block not easily surmounted. A writer who has undertaken the task has failed in his attempt. He puts it on the ground that an usurious borrower does not exercise his sound and deliberate judgment in the act ; that his reason is seduced or driven from her seat by motives and impulses he cannot resist, and therefore the law should protect him against his own weakness, which, otherwise, would ruin him. That he has not a free choice of action, but his will is coerced by extraneous causes, and he should be treated with indulgence if his necessities have forced him into contracts which oppress him. The fallacy of this argument is bare and obvious. The foundation or premises are not true in point of fact ; for the borrower does exercise, and often keenly too, his knowledge and deliberate reason in making the contract. He may be, it is true, under some pressure which requires this mode of relief, but there is no such delusion or compulsion as can safely or justly be made the ground of a legal absolution from his promise, unless the same indulgence is extended to every improvident bargain he may be induced to make by some want or weakness. Such a principle would unsettle half the business of the world. Again, the reason, so far from having a peculiar strength in the case of a loan of money, applies with greater force to sales of land or goods, under the same degree of pressure and necessity, but in regard to which no dispensation is granted on the pretence that the vender had no choice of action, but was compelled to the sale by "extraneous causes ;" that "his reason was seduced or driven by impulses he could not resist." If the "pity of human infirmity" is to be called in to invalidate contracts, wherever they are hard or unwise, on the assumption that they were effected by a compulsion which "took away the freedom of choice," or by a delusion which betrayed it, we may anticipate the confusion and frauds that will ensue. Besides, if this necessity, or impulse, or delusion is to be the guide by which these cases are to be disposed of, we must have a different rule of decision, to maintain, or relax, or annul the terms of the contract, according to the degree of the necessity, the force of the impulse, or the extent of the delusion, and the strength or weakness of the party to resist them in each particular case. The sweeping regulation by which every contract for more than a certain rate of interest is pronounced to be obtained by an irresistible compulsion, or a misguiding de-

lusion, will probably be misapplied in nine cases out of ten, protecting and justifying frauds much oftener than it prevents them. And the frauds thus protected are actual, moral, corrupting frauds against good conscience and the eternal principles of right, and not merely such as consist in the violation of the enactments of a law of society, which may change to-morrow. When the law takes a broad and visible line, and separates valid from invalid bargains, on the proof of fraud or direct compulsive oppression; of dishonest contrivance and trick; of an unjust advantage made of the relative situation of the parties, as a trustee, guardian and ward, &c., we have a rule which is intelligible, sufficiently certain and safe: but when we would raise a law for the trial of contracts upon pity; upon human infirmity; upon charity; upon delusion without the practice of any arts to deceive, and coercion undefined and unproved, but all taken for granted, and assumed because the bargains may be hard and imprudent, we must see that the dealings between man and man will be all afloat, and the business of commerce thrown into confusion. The law does enough when it protects us from absolute fraud, and artful contrivances too well concealed for common prudence to detect; and it is not only vain, but injurious to the great and general interests of society, to attempt more than this, and to undertake to save a man from his folly, and the necessities which his folly may have brought upon him. It is true, that laws are made, and wisely made, on the subject of various contracts, to conform them to the fundamental interests of the community, nor is the right to enact those against Usury denied; but their policy and justice are resolutely disputed.

An ingenious writer of our own country has entered the field as an avowed antagonist to *Bentham*, and, in the prosecution of his argument, supposes he has found an analogous case to the laws against Usury, in the power assumed by the legislature to regulate the tolls of turnpike roads and bridges. It is evident that this argument goes to the right, and not to the policy of these laws. There is, however, no similarity between them. When a turnpike road is constructed, it must necessarily pass over land already appropriated to public use, or over the property of individuals, taken with or without the consent of the owners. For either of these purposes, the proprietors of the turnpike must have the sanction of legislative authority, and must take it on such terms as they can get it; and the legislature, of course, will take care that the public are not imposed upon by extravagant tolls. Public and private property have been surrendered for the general convenience and interests, and these are not to be abandoned to the cupidity or injustice of those to whom they have been surrendered. But if an individual were to make a road, at his own expense, over his own land, asking nothing from the public, would any legislature undertake to prescribe upon what terms or at what price, he should suffer others to use his road? I apprehend not, but that he and those who might desire to use his property, would be left to make their own bargain. This is more like the regulation of loans of money. So of a bridge. If it is to be erected over a stream which is a common highway, or upon public property on either side, it cannot be done but by the same public authority, and the same terms may be exacted from the grantee; but if the bridge were thrown over a stream within a man's private estate, which belonged exclusively to himself, in which the public had no right or interest, may he not



charge what he pleases for passing over it. Such is a man's money, which he claims to use with the same freedom of will, unless constrained by some strong, clear, and paramount public policy. The question, therefore, which this writer has put to us, with much confidence and triumph—"If the legislature have a right to regulate the toll of a bridge, why have they not the same right to regulate the interest of money?" presents two cases wholly different in their principle, and I repeat that ours is not a question of legislative right, but of sound policy.

We shall notice but one other analogy seized upon by this writer to maintain his argument—I refer to the *assize of bread*. It will be clearly shown that he can derive no aid from that case; and even that is one, the propriety of which has been more doubted, and the practice of which is much more rare than the regulation of the interest of money. In the United States, public opinion is decidedly against fixing the price of bread, if we may judge from the very few places, if at this time there are any, in which it is attempted. In Philadelphia the subject was formerly frequently moved, and the experiment sometimes made, but after repeated discussions and failures, it has been abandoned for many years. Where this assize is made, it is strictly confined to the article of *bread*, as being a necessary of life not to be dispensed with by rich or poor, and in the price of which extortion might be practised in particular emergencies; but it is so closely limited to bread as not to be extended to wheat or flour, the materials of which the bread is made. They are left to find their own price in the market. Lastly, the assize is made at the short intervals of a few days, so as to conform as near as possible to the real market value of the article, but who ever heard of the price of bread, or any thing else but money, being regulated by a law enacted a hundred years ago.

There is scarcely any thing in which the wisdom of the present age has been more manifested, or the prejudices and errors of past times more corrected, than in the freedom which has been given to the property of individuals, to their faculties, industry and skill, to be used as their owners may think most profitable. The superior advantages enjoyed by the American citizen in this respect; the enlarged power and right he possesses to earn what he can honestly, and spend and use it as he pleases, within the bounds of moral propriety, are among the most efficient causes of the unexampled prosperity of our country: but yesterday an infant, and now a Hercules, breaking the shackles which for ages have crippled the energies of man, and extirpating errors which have debased and corrupted him. Nor has this happy change been confined to our land. Our example has taught and encouraged the people and the governments of the old world to shake off ancient prejudices; to see and feel that habits and maxims which were received with reverence some centuries ago, are wholly unsuitable to the present improvement of human intelligence, and the present condition of human concerns. The cords which for so many years bound up the genius of man and his enterprise in systems of monopoly and politic restrictions, have been broken or relaxed by sounder doctrines and a more enlightened experience, and it is discovered that the whole community will thrive best by the freest exertions of its various parts, regulated only by a wise attention to the "general welfare," to great national interests, which may require a particular care and protection for their preservation from powerful and hostile rivals.

### ART. III.—IMPLIED AND EXPRESSED WARRANTIES IN MARINE POLICIES.

THE duties which the law imposes upon the insured, and the rules of conduct which he is bound to pursue, for the purpose of enabling him to secure unimpaired the pecuniary benefits which a policy of insurance is intended to confer, are considerations of great importance to the merchant, and present subjects in which he is deeply interested.

If he is ignorant of the legal obligations which rest upon him, and is unacquainted with the responsibilities which devolve upon the assured, he is often liable to violate some technical or substantial rule, which constitutes an important feature in the conditions of a policy of insurance; and in this manner, to lose the right of ultimately securing that indemnity which he would otherwise derive from the instrument.

The implied conditions which are contained in every marine policy, and which are substantially as binding as those formally and expressly inserted, should be thoroughly understood by the mercantile portion of the community, and their construction and effects correctly appreciated.

To the merchant whose thousands are upon the ocean, exposed to the risks and uncertainties always attendant upon maritime adventure, these questions are of deep interest, involving as they often do his whole fortune. A slight mistake in describing the condition or situation of the property insured, an innocent concealment of some fact which the law requires the assured to disclose, or a trifling deviation from the rigid construction of the instrument, often vitiate and destroy the policy; blasting every prospect of remuneration for heavy losses which the insured has sustained, and which he is thus for ever prevented from recovering.

In considering some of the most important rules which the law prescribes to the insured, and which he is bound to follow, in order to create and perpetuate his rights under the policy, the implied and expressed conditions which it contains will be examined, and their extent and effect explained with as much brevity as an attempt at clearness will permit.

When a policy of insurance is effected upon a ship, the assured impliedly warrants it to be seaworthy, and in every respect fit for the voyage upon which it is intended to proceed. For the purpose of complying with this implied condition, many precautionary requisites are absolutely necessary, and various minute regulations must be observed. Every thing necessary for the prosecution and completion of her voyage must be obtained; and whatever tends, either directly or remotely, to the safety of the ship, must be procured and furnished.

The vessel must be staunch and sound, without any apparent or latent defects; and a sufficient quantity of sails, tackle, anchors, and every thing which is in the slightest degree necessary for the purpose of enabling her to make the contemplated voyage, is required, in order to complete her seaworthiness; and unless the ship is in a condition to carry a full cargo, this implied warranty is not complied with.

The owner of the ship is bound to procure a competent and trustworthy captain and crew, and this is highly important to be observed and complied with. It is a universal rule of law, that a principal is

bound by the act, and accountable for the misconduct of his agent ; and unless the assured mans the vessel in a proper manner, and performs every thing on his part which the principles of justice require, and which is calculated to insure the safety of the vessel, the insurer will not be held liable under the policy ; for, as the captain and crew are considered the agents of the owner, whatever is done by them is looked upon as his own act ; and if he intrusts the ship to persons incompetent to manage her, she is unseaworthy. The crew must be shipped for the entire voyage for which the vessel is insured ; and where they are hired to proceed to a port of destination, different from that described in the policy, and off from the course upon which the ship is bound, the insured, in case of loss, cannot recover upon the instrument. To constitute seaworthiness, it is necessary to take a pilot on board, at the usual times and places ; and if one cannot be easily procured, the captain should not incur any risks in proceeding without one, as in case of a loss on his account, the insurers will be discharged. But if a pilot cannot be obtained, and the ship is in a state of danger and exposure, the captain would undoubtedly be justified in proceeding without one. If the vessel, at the time of effecting the policy, is in want of repairs, and the risk assumed by the underwriters includes the time while it remains in port, the necessary reparation may be bestowed, and in case of loss, the insurers will be held liable to the same extent as they would in case the seaworthiness of the vessel had existed at the time the risk commenced. But this must be understood with some qualification ; for if the ship be a mere wreck, the policy never attaches. Where a vessel is insured at, and from one port to another, and the repairs and amendments necessary to be made, for the purpose of rendering her seaworthy, and in a situation to brave the perils of the winds and waves, cannot be effected at the port from which she is to sail, the vessel may proceed to the nearest place where such repairs can be performed, without impairing the rights of the insured under the policy ; and the law will sanction this apparent deviation from the strict letter of the instrument, for the purpose of preserving the just and equitable rights of the assured.

The warranty of seaworthiness relates and extends to the commencement of the risk, but while the vessel remains *at* a place, a state of repair and equipment may be sufficient, which would be wholly defective after the commencement of the voyage ; for, as has been remarked, while a ship is in port she may stand in need of repairs, which may be bestowed, and the insurers will be liable, provided the policy covered the period during which the reparation was proceeding. If the policy is effected upon a ship in the middle of a long voyage, it cannot be presumed that she is so strictly seaworthy as at the time of sailing, and the warranty we are considering is sufficiently complied with, if the vessel is, under all these circumstances, reasonably staunch and sound, and has suffered no extraordinary injury. And in determining the question of seaworthiness, recourse must be had to the usage of the place where the policy is effected ; for it varies in different places ; and in ascertaining the extent and effect of this implied condition in the instrument, the intention of the parties must be sought after, who are presumed to have had in contemplation the universal usage which prevailed where the contract was made, at the time it was executed.

When a ship is insured, her seaworthiness is presumed ; and every

requisite necessary to constitute her in all respects competent to proceed with safety upon the intended voyage, is supposed to exist. The necessity, therefore, of proving her unseaworthy, rests upon the insurer; who must, as a general rule, show clearly and conclusively a breach of this implied condition of the instrument. There are some instances, however, in which a rule more favorable to the insurer prevails, and in which he would not be held to so much strictness in proving her unfitness for the contemplated voyage; for, if a vessel is found in a bad condition, so short a period after sailing, that she could not have been injured since that time, and nothing has been encountered by which she could have been in any manner disabled, her unseaworthiness will be presumed to have existed at the time of effecting the policy. And in the case of a latent defect, materially enhancing the risk assumed under the instrument, and constituting unseaworthiness, the insurer will not be liable, if from the circumstances of the case, it is made to appear with reasonable certainty, that such defect existed at the time of executing the policy.

If an insurance is effected upon goods or freight, the ship in which the goods are transported, or by which the freight is to be made, is governed by the same rules, in respect to seaworthiness, as those we have already mentioned; and at every port of loading, the vessel must be in a condition, every way competent, to prosecute her voyage. Having examined the leading rules which govern in determining the unseaworthiness of the ship, and considered the extent and effect of this implied warranty which is contained in a policy of marine insurance, the next important warranty resulting from implication, and which the insured by obtaining the policy, undertakes to perform, is, that the ship shall be documented and navigated, and the adventure conducted, in conformity with the laws of the country to which the vessel belongs, or of which the assured is a subject; and in accordance with the treaties subsisting between that and other countries, and the laws of nations. It is a rule of law, that an illegal trade cannot be insured; and although the adventure may be legal, if conducted in compliance with the rules of trade, yet if any of its provisions are violated, or the necessary papers to authorize its prosecution are not obtained, in either case, it will be rendered unlawful, and the insurance will be defeated. It is, therefore, a matter of deep importance to the assured, not only that the trade in which his vessel is engaged should be lawful, and the adventure upon which it proceeds, of such a nature as to place it beyond the suspicion of illegality, but that the manner of conducting such trade and adventure, should conform, in all respects, as well in substance as in form, to the rules and regulations which the law prescribes. The vessel insured must have documents and papers in compliance with the laws of her own country, and with the terms of treaties with foreign states; and if she is captured, or the risk of the insurer is enhanced, on account of the neglect of the insured in procuring them, the insurer will be discharged, for the principle is well established, that the insurer of a vessel cannot be made liable for any loss which may arise from the want of documents required by the laws and treaties of a country of which it bears the national character; or, which may result from the fault of the insured in not obtaining and securing the means of protection usually accompanying ships of the same national character.



If false papers are procured by the owners of a ship, and she is captured in consequence, and no representation is made of an intention to take such papers, the insurance will be void, on the ground that carrying fabricated documents is a violation of the law of nations, and is an illegal act, for which the insurer is not responsible. Although the owner of a vessel insured is bound to perform every thing on his part for the purpose of preventing loss, and must furnish the ship with all the documents and papers required by law, yet unless the omission on the part of the insured to comply with these requisitions changes or enhances the risk, the insurer will still be liable, and the want of the documents and papers we have mentioned, at the commencement of the voyage, or the want of them at any other time, for any purpose, except in the event of capture, and when the production of them becomes necessary, is immaterial.

In the case of an insurance effected upon goods, the same rules in respect to the necessity of having the ship properly documented, do not apply, with so much strictness, as where the vessel itself is insured; for as the owner of the goods cannot know whether the necessary papers are furnished, it would be extremely inequitable and severe to refuse him all right to indemnity under the policy, on account of the default or negligence of the owner of the vessel.

Whenever goods are insured by a citizen of a neutral state, the assured impliedly warrants that they are not of belligerent character, and that they shall be preserved, and used in conformity with such implied warranty; but if they are shipped on board a vessel, containing the property of a belligerent, by reason of which a detention ensues, and loss is in this manner occasioned, the insurer will be liable, and cannot avail himself of any defence, upon the ground that a part of the shipment is illegal. Having endeavored to point out and examine some of the most material implied warranties which result from a policy of marine insurance, and which the assured is bound to perform, an attempt will next be made to consider and illustrate the nature, construction, and effect of the express warranties and conditions which are contained in the instrument.

An express warranty is an agreement written, or printed, in the policy, by which the assured stipulates, that certain statements relating to, or concerning the risk, are, or shall be, true; or that particular acts in relation to the same subject, have been, or shall be, performed. It is not requisite that the fact or act warranted, should be *material* to the risk insured against, for if it is an express condition of the policy, the necessity of its performance is imperative upon the assured; and in this respect it is distinguished from a representation which is not embodied in the instrument. It is a leading principle in the law of insurance, that if a warranty is expressed in the policy, it is a vital part of the contract that the subject matter shall be in every respect as it is represented.

The materiality or immateriality signifies nothing; and the only question to be determined, is, whether a strict and literal compliance with its terms has been observed. A warranty of this nature is often created by an express statement in the policy, that the assured *warrants* such a fact. But a formal expression of this kind is not absolutely necessary, as any direct, or even incidental, allegation of a fact, relating to the risk, is sufficient to constitute a warranty. If insurance is effected upon the

American ship *Eliza*, or the British brig *Harriet*, or upon goods on board of a vessel so described, it is a warranty that she is American, or British, in conformity with such description; and is equivalent to a formal provision inserted in the policy, that the assured warrants the vessel to be of a particular national character. And where an insurance is effected upon goods for account of a certain person, whose name is mentioned in the policy, it is tantamount to a representation that such person is the owner, and that the insurance is for his benefit; and is a warranty that the national character of the goods is to be determined by the country where the individual for whom the policy is procured resides. But for the purpose of ascertaining whether an incidental statement amounts to a warranty, it sometimes becomes necessary to examine, not only the words themselves, which constitute such statement, and the manner and connexion in which they are introduced into the instrument, but also the whole policy, in order to arrive at the meaning and intention of the parties; and although the materiality of the fact stated is not requisite to constitute a warranty, yet there can be no good reason for considering the allegation of a fact to be, so, if it evidently cannot have any relation to, or bearing upon, the risk; and can neither change, or in manner alter, the liability of the insurer. But a fact which is expressed in the policy will be presumed to have relation to the risk, unless the contrary unquestionably appears. The distinction which is here mentioned, can only apply, however, to facts incidentally mentioned in the policy; for, if the formal expression of a warranty is used, no question of this kind can be made, and every statement of a fact in the instrument must be in all respects true.

An express warranty or condition must be *strictly*, and it is even said *literally*, performed; and the intention of the parties, except as to the meaning of the words used, cannot be inquired into. The assured has voluntarily chosen to rest every claim which he derives by virtue of the policy, upon a condition contained in the instrument; and whether the fact or engagement which is the subject of the warranty, be material to the risk or not, still he must bring himself strictly within that condition.

A non-compliance with a warranty, although it occasions no injury, and does not change or enhance the risk, discharges the underwriters; and where the existence of a defect is but temporary, and is speedily remedied by the assured, and no loss ensues, until subsequent to the time when every condition in the instrument is strictly performed, the rights of the assured under the policy are gone, and the insurer is discharged from all liability. Although it is necessary that a warranty should be strictly complied with, and its terms literally observed, yet this rigid construction ought to operate in favor of, as well as against, the insured, whenever he can bring himself within its provisions; and if in performing a condition inserted in the policy, he does more than it requires, and this lessens the risk insured against, he will be entitled to claim every indemnity which the instrument was intended to guarantee. If a law is enacted subsequent to the time of obtaining the policy, by which a compliance with the terms of any warranty it may contain is declared illegal, the performance of its conditions will be dispensed with, and the insurer will be liable for any losses which may be sustained; but if the performance of the contract is unlawful at the time it is entered into, the policy will be void, and the assured can derive no benefit from its provisions.

If an express warranty is not to be performed until after the vessel has sailed, as in the case of a ship which is to be supplied with an additional anchor at an intermediate port in the course of her voyage, and this condition is not complied with, there can be no reason for construing the policy with such strictness, as to deny the assured an indemnity under the instrument, for a loss sustained previous to the time when such warranty could be performed, and before a non-compliance could in any manner change or alter the risks insured against, or in any way affect the liability of the insurer; and the more just and liberal mode of construction would seem to require, that for a loss happening antecedent to the time, when the warranty is to be performed, the underwriter should be held liable, and it has been judicially determined, that a loss occurring before a forfeiture of the implied warranty of seaworthiness, might be recovered, notwithstanding such forfeiture; which goes far in establishing the rule of construction, which we have supposed the principles of justice to demand, in the case of an express warranty.

When a policy contains a warranty that the vessel sailed, or will sail, on or before a certain day, it becomes important to ascertain what constitutes a sailing, according to the meaning of the instrument; and also when such warranty must be strictly performed, and what circumstances will justify a departure from the letter of its provisions, without impairing the rights of the assured. In contemplation of law, a vessel has sailed, the moment she is unmoored, and has got under weigh, in complete preparation for her intended voyage, with the purpose of immediately proceeding to sea; and in order to satisfy this condition of the agreement, the vessel, at the time of sailing, must be, in the contemplation of the captain, at absolute and entire liberty to proceed to her port of delivery. Whenever the time of sailing is material, and it becomes necessary to determine the effect which ought to be given to this condition of the instrument, it is often important to ascertain the intentions of the captain; and whether he considered at the time of leaving the port of departure, that any serious obstacle existed, calculated to defeat the prosecution of the intended voyage; for if, at the time of sailing, he knows of an impediment to his proceeding, which he feels confident will be seasonably removed, but is subsequently disappointed, and prevented by such impediments from proceeding on the voyage, at the time warranted, still this is a sailing within the time, and a compliance with the warranty.

As to what shall not be considered a *sailing* within the meaning of this condition, in a case where a ship insured at and from Jamaica, warranted to sail after the twelfth of January, before which day the vessel being completely loaded, sailed from Port Maria, a hazardous station for ships in that Island, for Port Antonio, the accustomed rendezvous for convoy, for which it was proposed there to wait, and was lost on this passage; it was held that the departure from Port Maria was not a sailing within the meaning of the warranty, and that the assured was entitled to recover under the policy.

This decision undoubtedly proceeded upon the principle, that as the vessel was insured at Jamaica, it was the duty of the insured, and a material part of his contract, to perform every act necessary to preserve the ship in safety previous to the day she was warranted to sail, and that the captain in leaving a dangerous port for one more safe, diminished, instead of enhancing the risk of the insurer.

Another express warranty which the assured sometimes enters into, is, that the ship or goods are neutral, or neutral property, being an engagement that it is owned by persons resident in a country, at peace when the risk begins, and who have the commercial character and rights of subjects of such country; and that it shall be accompanied with such documents, and so managed, and conducted by the assured and his agents as to be legally entitled, so far as depends on them, to all the protection, privileges, and security of property belonging to the subjects of such country. And if property is warranted American, or of any particular national character, it is an agreement that all the necessary papers shall be furnished, and every thing done on the part of the assured, for the purpose of securing all the advantages and commercial privileges to which the property of citizens of such nation is entitled.

A statement that the property is neutral, whether incidentally or directly, whether as a part of the description, or in the form of warranting, will equally constitute a warranty, and the insertion of a fact necessarily implying the national character of the property will be construed, in the same manner, and to the same effect. In order fully to comply with this condition of the policy, the property must not only be neutral, at the time of the commencement of the risk, but must continue to be so, as far as the voluntary act of the owner, or assured, may affect its national character, and where a part of the property insured is assigned to a belligerent, during the continuance of the risk, the policy will be avoided.

The warranty is, that the property is neutral at the time the insurance is effected, and shall remain so, without being in any manner changed or altered by the acts of the assured, or his agents; but if he becomes a belligerent, or the property assumes a belligerent character, by an act of his government, or of any other government, after the risk commences, it is not a breach of warranty, for this is one of the risks taken by the insurer.

A statement in the policy that the property is neutral, can be supported only by showing that its origin, and the manner in which it has been managed and conducted; are sufficiently characterized by neutrality, to be so considered by the courts of the country in which the contract is made.

And where a neutral house, engaged in mercantile business, possesses an interest in a foreign establishment, situated in a belligerent country, such interest assumes the national character of the country where it remains.

Under this warranty, the ship or goods must not only be owned by neutrals, and not be of a belligerent character in themselves, but they must also be accompanied by all the documents and papers necessary to show that they can legally claim the protection afforded to neutral property. For the purpose of ascertaining the kind of proof which is required to indicate the national character of the property insured, we must refer to the laws and treaties of the country to which the ship and the owner of the property belong, and to the laws of nations.

The flag is the most obvious badge by which the national character of the ship is indicated, and by the laws of nations is liable to be considered as evidence of the country to which she belongs. A vessel warranted neutral must, therefore, bear no other flag than that of a nation at peace when the risk commences; and one warranted of a particular national



character, must hoist none except that of the country to which the warranty relates.

Every document which is necessary to show that the vessel sails under the protection of the government of the state to which the warranty refers, must also be furnished, and the usual papers to prove to what port and to whom the ship belongs, must, in general, be procured; and the assured must not neglect the performance of any act which the law requires to be done on his part, for the purpose of securing to the ship all the rights and privileges conferred by the municipal regulations and treaties of the state, whose national character it bears. The country to which the goods shipped belong, is determined as a general rule, by the papers relating to their origin and destination; and if goods warranted neutral are accompanied by simulated papers, giving them the appearance of being owned by belligerents, for the purpose of violating the municipal regulations of a belligerent state, although they are in reality the property of neutrals, yet the goods are liable to be considered by the other belligerents as of the assumed national character, or are in so great danger of capture from this cause, as to constitute the use of such papers a violation of the warranty of neutrality. But if the underwriters know, or ought to know, that by the usage of trade, two sets of papers are carried for the purpose of protecting the goods, they impliedly consent to the usage; and the set of papers which will protect the property when its national character is called in question, may be produced as circumstances require.

If the captain of the ship attempts to disguise belligerent goods as neutral, it will be a breach of the warranty as to other parts of the cargo; for as he is considered a general agent of the assured, the whole of the property on board is liable to condemnation by the law of nations, for an attempt on his part to deceive one of the belligerents by covering the property of an enemy. But if the same goods had been taken on board, accompanied by papers showing their true national character, the warranty would not have been violated in respect to any other part of the cargo. The law of nations, as to what is to be considered neutral property, and the documents and papers to be procured, and the conduct to be observed, in order to entitle it to respect and protection as such, are liable to be controlled by treaty, since nations may substitute express rules for those implied obligations which the general law imposes without any stipulation; and many material and important alterations and modifications of the law of nations, in these respects, have been made in different treaties.

For the purpose of complying with this express warranty, it is material not only that the property should be neutral in itself, and accompanied by documents and papers sufficiently authenticated, to prove such neutrality with unquestionable certainty, but that the assured, and his agents, who have the control of the property, should so conduct the voyage, and manage and employ the subject, as not to forfeit its neutral character. And if any act is committed on the part of the assured in violation of the law of nations, or in contravention of treaties entered into by his country with foreign powers, by which the risk of the insured is enhanced, it will be considered a breach of the warranty of neutrality, and the insured will consequently forfeit his right of recovery under the policy. As there is belligerent action and open warfare carried on upon the high

seas, by some maritime nations, during a great portion of the time, it is of considerable importance to the adventurous merchant that he should understand the kind of conduct he is bound to pursue, for the purpose of preserving a strict neutrality towards the contending powers, and to secure the indemnity which insurance is intended to guarantee in case of a loss of property covered by the instrument. We shall accordingly point out some of the most material duties incumbent upon the assured, and which he ought to perform, when his property is placed within the reach and under the control of a belligerent naval force; and also the rules and regulations he is bound to observe in the conduct and disposition of his property, when in the vicinity of a blockaded port.

The law of nations imposes upon neutral merchant vessels, the obligation of submitting to be searched by the public armed ships of a belligerent power, and it is the duty of the captains of merchantmen to permit the officers of such armed vessels to come on board, and examine the ship's papers, and those relating to the cargo; and he is bound to answer questions touching the neutral character of the property; and to produce for inspection, the papers by which it is accompanied, for the purpose of giving the belligerent every opportunity of judging whether the ship and cargo are of a neutral character. It was formerly doubted, whether the neutral vessel, in case she was of sufficient strength, could not legally resist such search; but it is now well settled, that the right of boarding and searching the merchant ships of every country on the globe, is an incontestable privilege of the lawfully commissioned cruisers of a belligerent nation; and to resist this right, when exercised in a lawful manner, is a breach of the warranty of neutrality. When an armed ship claims the privilege of searching a merchant vessel, on the high seas, its character and commission must be made known, and the right which it claims clearly proved, or the neutral may lawfully resist; and if treaties exist, which point out the mode in which such search must be made, the belligerent will not be at liberty to depart from the rules thus prescribed, but is bound to act in accordance with their provisions, and if they are violated, the neutral is justified in resisting such infringement of his rights. Under the right of search, is included that of sending the vessel into port, for the purpose of enjoying better opportunities of examining the property, in order to determine its true national character. It is therefore a breach of the warranty, for the captain and crew of a neutral vessel sent into port, under such circumstances, to attempt to retake it, and to withdraw the property from the possession of the belligerent; but if it is conveyed into port and detained, and the suspicions inducing such detention are unjustifiable, a full indemnity must be made to the injured vessel for all the damages she may have sustained, which will be enforced in admiralty, against the captors. Whenever a belligerent ship takes possession of a neutral vessel, suspecting her to be engaged in traffic inconsistent with her assumed character, a sufficient number of men must be placed on board to navigate her in safety, and the original crew are not in any case obliged to assist; and if the requisite number are not furnished, the vessel may be lawfully rescued by the captain and men, without a violation of the warranty. In noticing some of the leading rules which the law of nations prescribes for governing the commercial rights of neutrals, in trading to a port in a state of blockade, we shall not pretend to examine what constitutes a valid blockade; but supposing one legally in existence,

shall point out the rule of conduct to be observed, in order to prevent its violation. A declaration of a blockade is a high act of sovereignty, and is usually made and promulgated directly by the government to which the blockading squadron belongs. It is sometimes declared, however, by an officer of a belligerent power, and when so declared, will affect the subjects of neutral states only so far as the officer is properly authorized. Neutrals are not in any manner prejudiced, until notice of the blockade is given; and this may be done by a public notification from the belligerent to the neutral government, which is sufficient, and is then presumed to be known by its subjects; or it may be given directly to the captain or owners of a vessel; and it must, in all cases, appear that the neutral subject has personally had such notice, or that it was so publicly and generally known, that he must be presumed to have a knowledge of the blockade. Whenever the assured has actual or constructive notice of the existence of a blockade, declared in a legal manner, and maintained by a sufficient naval force, any attempt on his part to carry property to or from the blockaded port, is a breach of the warranty of its neutral character. Under these circumstances, no actual violation of the blockade need be committed; the intention to enter such port, accompanied by an actual sailing in contemplation of such entry, would, in case of capture by the blockading force, subject the property to condemnation; and any act and intention of this nature would discharge the insurer from all liability under the policy. If a ship is in port at the time a declaration of blockade is made, she may come out in ballast; and in case all her cargo is on board before it commences, she may lawfully proceed upon her intended voyage; and where a vessel is in port, laden with goods which were imported previous to the declaration of blockade, she may, by the law of nations, bring such goods away without discharging them, and in doing so, will not infringe any right of the belligerent power. To constitute a breach of blockade, it is necessary, not only that there should be an intention to that effect, but that such intention should be accompanied with some act in pursuance of it, calculated to convey the impression that the design will be carried into execution; and as an attempt to commit such violation is punished by severe forfeiture and heavy pecuniary loss, courts of justice, in determining what amounts to a breach of blockade, will entertain enlarged and liberal opinions, and be governed by the broad principles of universal justice.

Notwithstanding the general principle, that a vessel cannot enter a blockaded port without violating the warranty of her neutral character, there are still some exceptions to this rule; for if a ship is in imminent danger of being injured or destroyed by the perils of the sea, or has received such severe damage as to make it absolutely necessary to go into some port, where she can ride in safety, or where necessary and important repairs can be bestowed, she may, in either of these cases, lawfully enter a port in a state of blockade, if some adjacent one cannot be reached without great inconvenience and danger; and where a vessel procures a license from the government to which the blockading squadron belongs, authorizing her to visit such port, this liberty may be enjoyed without, in the least degree, endangering her neutral character, or in any manner affecting the legal rights of the owner, under any policy he may have obtained upon such vessel, for his indemnity.

The various express warranties we have mentioned are those usually inserted in a policy of marine insurance ; but many others may be made, to which we have not alluded. These, however, will be governed by the rules before laid down, in reference to the warranties already pointed out and considered ; and in framing the instrument, the assured must be extremely careful to understand and appreciate the extent and legal effect of every condition which the policy contains.

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#### ART. IV.—POLITICAL ECONOMY.

*John Hopkins' Notions on Political Economy.* By the author of "Conversations on Chemistry," "Political Economy," &c.

THE mere title of a book on Political Economy is calculated to suggest grave considerations : it is the sign of an important change in the social as well as the literary world—a change in the feelings and habits of thought pervading every rank of civilized society. It may be that many engaged in the active employments of life have not paid much attention to the silent revolution in which they are unconscious actors ; as persons floated down by the current scarcely observe the river's motion, unless their attention is engaged by some attractive object on the banks. The list of writers who have devoted their leisure and their talents to this important subject is sufficiently remarkable to arrest notice, for it shows that questions connected with the constitution and interests of society, have engaged the attention which was once devoted to the graces of literature and the refinements of science. When some of our most distinguished senators address pamphlets on political science to their constituents—when Lord Brougham, in England, superintends "The Working Man's Companion," and ladies write tales to illustrate Political Economy—when the questions of Poor Laws, Free Trade, and Sub-treasury Schemes are discussed more eagerly in our colleges than the metrical canons of Porson, or the grammatical niceties of Anthon—when in every private society, from the hut to the mansion, we find the nature and probable results of laws to be enacted or repealed, discussed energetically, if not wisely,—we cannot doubt that a bold spirit of inquiry is abroad, whose workings must not, and indeed, cannot be neglected.

The main question discussed in all the works on political economy, that have been issued from the press within the last twenty years, is, the best means of ameliorating the condition of the laboring population ; consequently, all these writers—on other topics far as the poles asunder—agree that there is something of which the working class may justly complain. But what is that something ? We shall not be very wide of the truth, we think, in answering, that while wealth has increased in certain quarters, poverty has not been proportionately diminished in others. It is, perhaps, a fallacy either to assert or deny that the poverty of one class has increased with the wealth of the other, because poverty and wealth are sometimes used in a positive, and sometimes in a relative sense. Taking comforts and necessities as the measure of poverty—as a greater share of these can be obtained by labor now, than could a



century ago—it might be said that the poor are at this moment in better circumstances than they were ; but, taking the amount of distance between the poor and the rich as our measure, there exists, unquestionably, more relative poverty now than at any former period. It seems to us, however, that the extreme schools of political economists have founded their systems too exclusively on one or the other of these views ; whereas, for any good result, both should be taken into consideration. The complaint then might, perhaps, be stated thus : For a certain period, the wealth of this country has been increasing, but that wealth has been hitherto disproportionately distributed ; now, as wealth is but an accumulation of profits, this disproportion proves that a class has been unjustly deprived of its fair share of profits, and must continue to be so, until a more equitable mode of distribution is adopted. This would be a just ground of complaint—view the question how we may—for it is no argument to tell a man that he is well off, when he has a right to be still better. If asked whence arises this unequal distribution of wealth, it might be answered—from the system of commercial laws which regulate the distribution ; but that system is composed of parts so numerous and varied, that it is no easy matter to discover the peccant member, and when found, it is questionable whether it can now be removed without injury to a sound part. This is the greatest difficulty that the practical statesman has to encounter, and it is that for which least allowance is made by the generality of mankind. Abstract principles are often insisted upon too rigidly, and sufficient allowance is not made for the operation of circumstances. How much better would it be, if those who have written or spoken on the subject, had always made it their object to impress on the laboring class the duty and advantage of using the means of improvement already in their hands, and to teach rulers that the best encouragement to industry is to show the industrious how to avail themselves of their own resources, instead of looking to the government for aid, as if acts of Congress were charms, and proclamations spell-words, that could control the laws of nature.

We are not disposed, however, to enter at any great length on this much agitated question, on which most persons have now made up their minds, and that too, the more determinately, because they have very generally done so without consulting the evidence. But we cannot refrain from expressing our opinion, that another and a greater matter than that between the advocates and opponents of any particular set of principles, remains behind, namely, an examination of the *necessity* which is supposed to entail pauperism on society. That casual poverty could be prevented, even in the best constituted state, is assuredly an Utopian dream ; but such poverty is not difficult to deal with, and may be met either by voluntary or compulsory charity, as may seem best to the law-giver. The poverty to which we allude, is that wholesale pestilence, which is now considered as a natural grade in society, and which makes perpetual calls on the legislator and the magistrate to satisfy its ceaseless cravings.

Of this poverty, we have a strong conviction, that in a really civilized community, in which substantial justice was administered to all classes of the people, it would not exist. We believe it to be the immediate consequence of undue privileges, of undue obstacles to the free circulation and natural reward of labor, the most sacred of all properties. In

England, for instance, the entire course of the legislature has tended to manufacture paupers, and to squeeze out of the pale of the national industry an increasing portion of the most helpless of the laboring population. The great scope of the English statute law, (and not to go to remoter sources,) has been to favor accumulation, to promote monopoly, and to place manual labor in dependence on capital. Judging from experience, it appears to us that Providence has imbued the species with so strong a disposition to labor in order to overcome the difficulties with which nature has surrounded our means of subsistence, that it requires a very strong pressure to depress and beggar the many; and the history of modern commerce is one entire illustration of this truth.

Another evil tending to the multiplication of pauperism, is the unequal pressure of indirect taxation, which falling on articles of primary consumption, weighs the more heavily, in proportion to the narrowness of the individual's income. But the greatest cause of mischief, is the utter indifference long shown by the state to the moral education of the people; and we would refer, in proof, to the large proportion of the laboring population, who, whether they have or have not received doctrinal instruction, are utterly ignorant of the very elements of prudential wisdom, and are left at the mercy of their passions and appetites, to waste or misapply their resources, and to sink into wretchedness, pauperism, and perhaps criminality.

The following passages, which occur in a beautiful discourse delivered by Dr. Channing, at Boston, in the year 1835, on the Anniversary of the Benevolent Fraternity of Churches, will bring home the subject to the heart of the reader, far more certainly than we could hope to do.

"It is the boast of our country, that the civil and political rights of every human being are secured;—that impartial law watches alike over rich and poor. But man has other, and more important, than civil rights; and this is especially true of the poor. To him who owns nothing, what avails it, that he lives in a country where property is inviolable; or what mighty boon is it to him, that every citizen is eligible to office, when his condition is an insuperable bar to promotion? To the poor, as to all men, moral rights are most important; the right to be regarded according to their nature—to be regarded, not as animals or material instruments, but as men; the right to be esteemed and honored, according to their fidelity to the moral law; and their right to whatever aids their fellow beings can offer for their moral improvement, for the growth of their highest power. These rights are founded on the supremacy of the moral nature, and until they are recognised, the poor are deeply wronged.

"Our whole connection with the poor should tend to awaken in them a consciousness of their moral powers and responsibilities, and to raise them in spirit and hope above their lot. They should be aided to know themselves, by the estimate we form of them. They should be rescued from self-contempt, by seeing others impressed with the great purpose of their being. We may call the poor unfortunate, but never call them low. If faithful to their right, they stand among the high. They have no superiors, but in those who follow a brighter, purer light; and to withhold from them respect, is to defraud their virtue of a support, which is among the most sacred rights of man. Are they morally fallen and lost?

They should still learn, in our unaffected concern, the worth of the fallen soul, and learn that nothing seems to us so fearful as its degradation. This moral, spiritual interest in the poor, we should express and make effectual, by approaching them—by establishing an intercourse with them, as far as consists with other duties. The strength, happiness, and true civilization of a community are determined by nothing more, than by this fraternal union among all conditions of men. For the sake of the rich as well as poor, there should be a mutual interest binding them together; there should be but one caste, that of humanity."

If there be one principle of political economy more firmly established, or more important than another, it is that which has been called *the principle of population*. Scarcely a year passes in which the operation of that principle is not manifested in the sufferings of some one or more of the classes into which our laborers are divided—sufferings which have their immediate cause, indeed, in some casual revulsion of trade, but which are aggravated and prolonged by the habitual poverty existing among all the laboring classes, and which, it has been proved to satiety, is the consequence of the disproportion between the numbers to be employed and the means of employing them. The law which regulates the proportion between the number of laborers and the means by which they may be employed—in other words, which regulates the *permanent* rate of wages—is called the principle of population. How important must be the consideration of the principle which regulates the rate of wages, both to those who pay and those who receive them, is sufficiently plain. It has, accordingly, attracted a greater share of public attention than many other important doctrines of the science of which it forms a part, and will continue to obtrude itself upon the consideration of all those who turn their minds to political reasoning, as long as peasants shall be subject to periodical sufferings.

The question being simply one of proportion—the proportion between the numbers of the people and the means of employing them—it is necessary to ascertain, in the first place, the relative rates according to which the number of the people and the means of employment would increase, if no check were employed upon the increase of either. This rate has almost universally been called *the tendency to increase*—a phrase very clear and definite, but which has occasionally been applied in a novel and unaccustomed manner, without duly weighing the importance of adhering to an established phraseology; or, at all events, without adducing a sufficient reason for dissenting from it in any particular instance.

The means of employing laborers are food and the implements and materials of their trade; but food is the main object of consideration. It has been shown by distinguished political economists, and it is obvious, without further proof, that additional labor employed in the cultivation of the land within a given district, produces generally a less proportionate return. The more labor bestowed upon the same soil, the greater is the total return, but the less is the return to every successive quantity of labor bestowed. The tendency of food to increase is, therefore, a constantly decreasing tendency.

Then what is the tendency to increase in the human race? This tendency has long since been determined by philosophic observation. It

has been ascertained that, for considerable periods, and in extensive districts under temperate climates, population has doubled every twenty-five years. The power of reproduction in the human race must, under similar climates, be always and everywhere the same.

Here, then, we have the means of determining the question at once. The tendency of population to increase is constantly the same; that of food is constantly diminishing. It is certain, therefore, when we consider the simplicity and shortness of the premises, unusually certain, that as the wages of labor depend upon the proportion between food and numbers, and as numbers can increase faster than food, that unless the number of laborers can be limited, the people must always be poor; and as surely as they are poor, will they be miserable, vicious, and discontented. To enlighten the people upon the great law which regulates their condition, and which so materially concerns the safety of their superiors in wealth and station, is obviously the most benevolent work of private charity, and a chief duty of public governors.

The tendency of wealth and civilization to check the increase of numbers, by elevating the moral feelings of the people, and inducing them to submit to voluntary restraint rather than undergo the privations which spring from improvident marriages, is nowhere so ably or more eloquently expounded, than in the works of the late Professor Senior. "What," (asks this writer,) "is the picture presented by the earliest records of those nations which are now civilized? or, which is the same, what is now the state of savage nations? A state of habitual poverty and occasional famine. A scanty population, but still scantier means of support. Admitting, and it must be admitted, that in almost all countries the condition of the body of the people is poor and miserable, yet as poverty and misery were their original inheritance, what inference can we draw from the continuance of their misery as to the tendency of their numbers to increase more rapidly than their wealth? But if a single country can be found in which there is now less poverty than is universal in a savage state, it must be true, that under the circumstances in which that country has been placed, the means of subsistence have a greater tendency to increase than the population. Now this is the case in *every* civilized country. Even in Ireland, the country most likely to afford an instance of what Mr. Mill supposes to be the natural course of things, poor and populous as she is, suffers less from want with her eight millions of people, than when her only inhabitants were a few septs of hunters and fishers. In our early history, famine and pestilences, the consequences of famine, constantly recur. At present, though our numbers are trebled and quadrupled, they are unheard of. The United States of America afford the best ascertained instance of great and continued increase of numbers. They have afforded a field in which the powers of population have been allowed to exhaust their energy; but though exerted to the utmost, they have not equalled the progress of subsistence. Whole colonies of the first settlers perished from absolute want; their successors struggled long against hardship and privation, but every increase of their numbers seems to have been accompanied or preceded by increased means of support. If it be conceded that there exists in the human race a natural tendency to rise from barbarism to civilization, and that the means of subsistence are proportionally more abundant in a civilized



than a savage state—and neither of these propositions can be denied—it must follow that there is a *natural tendency in subsistence to increase in a greater ratio than population.*”

Now, we cannot but think, that this admits of a very simple answer. When it is said, that there is a tendency in population to increase faster than the means of subsistence, that form of stating the proposition is adopted as the shortest and most convenient method of saying, that in the absence of all checks to increase, men will be multiplied faster than food. It was never meant that they could be multiplied *without* food; that food must not be first produced, in order that they may be multiplied at all; nor even that as societies advance in civilization, food would not be increased in a greater ratio to the increase of population than in the savage state. What was meant to be conveyed by the proposition was, that the greater capability of increase was on the side of population; that a *check* must be imposed there, and an impulse, if possible, applied to the production of food. And that this is the *useful* mode of stating the theory, Mr. Senior himself admits; for he tells us afterwards, that whether in the absence of disturbing causes, it be the *tendency* of subsistence or of population, to advance with greater rapidity, is a question of slight importance, if it be acknowledged that human happiness or misery depend principally on their relative advance; and that there are causes, and causes within human control, by which that advance can be regulated.

If ever it happen in any country that population, although having a tendency (abstractedly) to increase faster than food, be found in fact to advance at a slower rate, it may be said, with verbal accuracy, that food in that country has a tendency to increase faster than population. So may it also be said, with verbal accuracy, that there is a tendency in matter, when set in motion, to come to a state of rest; because it does, in fact, alternately come to a state of rest when set in motion: or that there is a tendency in it to move in curved and not in straight lines, because the planets revolve round the sun. And yet we think, that if any man should propose to adopt this phraseology, and to reject the old Newtonian proposition, that matter, when set in motion, will move on in a straight line for ever, he would be said rather to dispute about words than facts.

The late Mr. Malthus has frequently been accused of taking too gloomy a view of the principle of population. The remark is true, though somewhat uncharitable, for the fault was in the position of the author, not in his mind. It must be remembered that at the time when the “*Essay on Population*” was published, now thirty-four years ago, he had to deal with a great practical and growing evil in society, of which few persons at that time had observed either the source or the remedy—that there prevailed generally amongst the poor an utter improvidence with respect to marriage and settlement in life—that foresight and frugality, the special virtues of their station, were fast losing ground in their estimation; and that they were recklessly sinking into a state of entire dependence on the poor’s rate; while the conduct and opinions of those above them, so far from repressing their error, rather tended to encourage it.

With these facts before him, and the consequences strongly impressed on his mind, we cannot wonder that Mr. Malthus, having laid down and

demonstrated the great law of nature respecting population, should have thought it necessary in the first instance to point out, in all its naked deformity, the sin and misery which would inevitably attend an habitual violation of it; and that under this aspect he himself should have chiefly regarded it. That there is a bright side to this law of nature is most true; and every benevolent and pious mind will be delighted to dwell upon it. God is good and righteous in all his ways, and in the hands of a gracious Providence, this principle is made subservient to the most beneficial and improving ends, being the great moving cause which excites the best energies of mankind into action, and gives spirit and perseverance to their most valuable labors.

In considering this part of the subject, it should never be forgotten, however, that the labors of Mr. Malthus were at first directed against that wild and most unscriptural tenet—the perfectibility of man; and that temperance, frugality, chastity—virtues strictly scriptural and evangelical—were the sole remedies recommended by him. Nor can it be said at present, that these gloomy views were unnecessary; notwithstanding all the warnings of the “*Essay on Population*,” the evil it contemplated has now arisen to so great a height, as to become almost incapable of remedy; but we believe, firmly, that had it not been for this book of Mr. Malthus, and all the wise and salutary parochial regulations which have sprung from it, the mischief would have been infinitely greater, and our way out of it much more obscure and difficult—if any could have been found at all, short of a convulsion of society. So much, indeed, is this knotty subject involved in difficulties, and such is the melancholy extent of sophistical argumentation which it has engendered, that some persons have openly dared to inculcate a practice more detestable than infanticide, in order to reconcile their theory of keeping the population within the measure of the supply of food. It is a pity that such monsters, calculating bloodhounds, were not the victims of the infernal process they recommend; but were unfortunately born to consume the bread of more human beings.

The question of Free Trade is the next in importance. By some writers it has been considered next to the question of free religion, as the most momentous that has ever been submitted to human decision; and if we may judge of the moment of an inquiry by the clamor which is made in discussing it—by the abuse which is showered upon the heads of the reformers in trade, and the contempt by which that abuse is repaid, it would seem that the importance of this great point has not been exaggerated. It is a want of respect to the public, generally speaking, to advance doctrines on which reasonable men may be presumed to differ, with the same confidence as if they were universally admitted truths. The boldness and obstinacy with which particular opinions are sometimes advocated, often tend, besides, to give a severe handle to the adversaries of institutions for the advancement of intelligence; for whoever shall dissent from the dogmas laid down in the first page of those multifarious tracts, where zeal rather than knowledge is conspicuous, is not likely to be beguiled into reading the second. Hence it is that this much contested question, notwithstanding the running fire of musquetry which has been kept up on both sides for so many years, is so far from being satisfactorily settled; nay, should the unhappy prejudices that still exist on this subject, continue—should the extension of repre-

representative governments increase the power of public opinion over the policy of nations, it is much to be feared that commerce may not long be enabled to retain even that degree of freedom which she now enjoys. The people, however, are beginning to find out, that the pleasures resulting from the indulgence of such feelings are very few, and very expensive; and although there are many prejudices to be removed, and many interests to be conciliated, before a new system can be established with ease, or perhaps with safety, we must hope, that as the process of amelioration has commenced, its pace will not be long retarded.

There is a class of writers, who, of late years, have undertaken a crusade against Adam Smith and his followers, averring that the modern school of political economy is based on erroneous principles—that the system of protecting duties established by our ancestors was the consummation of human wisdom;—and that it is not merely the right, but the duty, of a state to determine in what channels capital should flow, and towards what objects industry should be directed. The principal arguments adduced in favor of this antiquated theory are these: Firstly, that a nation imports from a distance, a manufactured commodity, which it could make as cheap, or cheaper, at home, were the manufacture introduced there. Secondly, that as the introduction of such a manufacture would be too expensive a project to be carried into effect by any private individual, the whole society might do so, through the expenditure for a few years of a portion of its revenue, at much less than what an equal number of years succeeding them will return to it in the diminished cost of the article. Thirdly, that he, or they, who legislate for the society, embrace the apparent benefit, and, by means of a small expenditure, effect an increase of the productive powers of the community. Fourthly, that in this the legislator acts in a manner that would be accounted prudence in a private person, who conducted any system of industry for his own emolument.

Now the whole fallacy of those who support the restrictive system, is contained in these few sentences; for, the existence of such a nation, importing commodities from a distance, which it could make as cheap or cheaper at home, may fairly be questioned. Nor is the introduction of any manufacture to a position which nature has rendered peculiarly favorable to it, beyond the power of a private individual, or, at least, a body of individuals; witness, for instance, the establishment of manufactures in New South Wales, in consequence of the discovery of coal in that colony; and that by individuals who never thought of calling on the nation to defray the cost.

But it would not be very easy to count the expense to which the forced establishment of any manufacture would put a nation. Let us suppose, that in order to encourage the manufacture of stockings, our government should place a high duty on their importation. Now, every purchaser loses the difference between the American and English prices; but the manufacturer does not gain that amount, because the cost of production is greater to him than to the Englishman. The purchaser also loses in the inferiority of the article supplied; for forced manufactures, protected by monopoly, are not only dear, but bad; as was proved within our own memory by the English silk trade. The government must lose by the necessity of employing means to prevent smuggling; and finally, the improvement that is to remunerate all these losses is, at best, problematical.

cal; for no manufactory, protected by a monopoly, has ever yet improved. Protection and monopolies are not only evils, but they are evils that tend to perpetuate themselves. To establish them is easy enough; but to remove them has been the most difficult task that modern statesmen have had to encounter.

Again, the supposition that those who legislate for the society embrace the apparent benefit, etc., is a rash and daring assumption, contradicted by daily experience. The legislator, in the first place, does not increase the productive powers of the community, he only gives them a new direction; if the manufactory be one less suited to his own country than that in which the manufacture was previously established, he gives them a wasteful direction. The article must, in the first instance, confessedly be produced at a greater expense; and that expense operates as a tax on the productive powers of the nation, by checking the production of articles to exchange with the foreign manufacturing country. There is but one request that manufacturers of any country should make to their government—it is that which was addressed to Colbert, "*Laissez nous faire.*"

The English submit to a loss exceeding probably a million sterling every year, occasioned by the restriction on the importation of Baltic timber, and voluntarily inoculate their houses with dry-rot, lest saw mills in Canada, and ships in the North American timber trade, the aggregate value of which does not amount to a million sterling, should become less productive to their owners. They prohibit sugar refined in the colonies, and consequently import it in a state more bulky and more perishable, lest the profits of a few sugar-refiners should be lessened. Other selfishness may be as intense, but none is so unblushing, because none is so tolerated as that of a monopolist claiming a vested interest in a public injury. The subject is still farther obscured by that powerful instrument of confusion, national jealousy. "Free trade is not only to deprive us of our money," say those who have assailed Adam Smith for having pushed too far the analogy between nations and individuals, "it is also to carry it to our neighbors; it is to do worse than to impoverish ourselves, it is to enrich them." Now this is preposterous in the extreme; for as money is not a source of gratification, but a mere instrument of commerce, if our prices were not affected by parting with a portion of our money, we should sustain no loss whatever, and have gained the commodities of our neighbors without any real sacrifice, while they would have parted with those commodities, and received no sensible equivalent. Besides, to suppose that the level of the precious metals in the commercial world can be permanently disturbed by taking money from one country to another, is as absurd as to suppose that the level of a pond can be altered, by taking a bucket full from one place and pouring it in at another. The water instantly rushes to the place from which the bucket full has been drawn, just as it rushes into the place from which it has been poured. And yet, with these facts before men's eyes, each nation has always exercised her perverse ingenuity to exclude the commodities of her neighbors, and the mercantile system seems to have proclaimed, and national jealousy to have re-echoed—

Nequicquam Deus abscedit  
Prudens oceano dissociabili  
Terras, si tamen impia  
Non tangenda rates transillunt vada.



Another most efficient fallacy consists in a use of the word "independent." To be independent of foreign supply, in consequence of the abundance of our own, is unquestionably a benefit; but how full of truth and import are the following remarks of Mr. Senior, relative to this part of the subject :

"If we could give to our soil and climate the productive powers of the richest plains in Mexico, and instead of eight or ten, obtain a return of ninety or one hundred, for every grain of wheat committed to the earth, we should be independent of foreign grain; but the benefit would consist, not in the independence, but in the abundance. The independence of the mercantile system is accompanied, not by abundance, but by privation; it arises not from the extent, but from the mismanagement of our resources; not from our riches, but from our self-inflicted poverty. It is the independence of Swift, who deprived himself, during the last years of his sanity, of the power of reading, by an obstinate resolution never to use glasses. It is the independence of my supposed trader in blacking his own shoes. It is to be independent of the footpath, by walking in the kennel. Independence of our neighbors has, however, sometimes been recommended, not as a means of wealth, but of security. This view of the subject is not within the scope of political economy. If I might venture to travel somewhat beyond my sphere, I should reply, that it seems forgotten, that dependence, as well as independence, must be mutual; that we cannot be habitually dependent on another nation for a large portion of our annual supplies, without that nation being equally dependent upon us. That if such a mutual dependence should increase the inconveniences of war to the one, it would equally increase them to the other. That if the supposed intercourse were one in which England received raw produce in return for her manufactures, or even her gold, (and such are the cases in which this argument is chiefly used,) such an intercourse would bind to her the foreign country in question by the strongest of all possible ties, the immediate interest of the owners of the soil, the most powerful class in every community, and the only class possessing power in a poor country. And I should infer from all this, that an attempt at commercial independence must infinitely increase the chances of a war to a nation, by diminishing the motives in other nations to remain at peace with her, and by impoverishing her, must make her less able to support the wars to which it inevitably leads. To the mercantile system, besides its own peculiar follies, we may in general attribute the greatest of all human follies—the existence of war between civilized nations."

Mill, an excellent authority on all subjects connected with political economy, fully agrees with what we have stated before, as to the answer which should be made by the manufacturers of any country, in case the policy of the restrictive and prohibitive system should be forced upon them. According to him, the business of production and exchange, if left to choose its own channels, is sure to choose those which are most advantageous to the community—it is sure to choose those, in which the commodities, which the community desires to obtain, are obtained with the smallest cost: and what good besides is the business of production and exchange calculated to yield, but to obtain the commodities which man desires, and to obtain them with the smallest cost? In whatever degree, therefore, the business of production and exchange is forced out of the channels into which it would go of its own accord, to that

degree the advantages arising from production and exchange are sacrificed; or at any rate, postponed to something else. If there is any case in which they ought to be postponed to something else, that is a question of politics, and not of political economy. The following extract from Mr. Mill's "*Elements of Political Economy*," is an apt illustration of this theory, and shows by very clear and short demonstration, into what channels production and exchange would flow if left free to themselves.

"If a country had no commercial intercourse with other countries, and employed the whole of its productive powers exclusively for the supply of its consumption, nothing could be more obviously absurd, than to give premiums for the production of one set of commodities, and oppose obstructions of any sort to the production of another; I mean in the view of political economy, or, on account of production; for if any country opposes obstructions to certain commodities, as spirituous liquors, because the use of them is hurtful, this regards morality, and has, for its end, to regulate not production, but consumption. Wherever it is not intended to limit consumption, it seems admitted, even in practice, that the demand will always regulate the supply, in the manner in which the benefit of the community is best consulted. The most stupid governments have not thought of giving a premium for the making of shoes, or imposing a preventive tax upon the production of stockings, in order to enrich the country by making a greater quantity of shoes, and a less quantity of stockings. With a view to the internal supply, it seems to be understood, that just as many shoes and just as many stockings should be made, as there is a demand for. If a different policy were pursued;—if a premium were bestowed upon the production of shoes, a tax, or other burthen upon the production of stockings, the effect would only be, that shoes would be afforded to the people cheaper, and stockings dearer, than they otherwise would be;—that the people would be better supplied with shoes, worse supplied with stockings, than they would have been, if things had been left to their natural course; that is, if the people had been left to consult freely their own convenience; in other words, if the greatest quantity of benefit from their labor had been allowed to be obtained."

After so many conflicting statements, and all the contradictory opinions we have been at the trouble of collecting, in order to arrive at a resolute settlement of conviction, it is most refreshing to turn to a work so full of excellent remarks and valuable information—so redolent of the spirit of philosophical induction, acute research, and happy illustration, and yet so utterly devoid of tedious technicalities or pedantic allusion, as that containing the truly important "notions" of the veritable John Hopkins; an individual, by-the-by, who has been identified in England, with no less illustrious a personage than the sage and erudite Lord Brougham. It is like slaking one's thirst at the waters of a pure and liquid stream after having journeyed through a sterile waste, where the puddle by the roadside afforded the suffering wanderer the only relief.

The object of the work may be stated in very few words: it is to show that as it would be impossible for any man to obtain every thing that might be agreeable to him, it behooves him not to repine at the want of what may be placed beyond his reach, but rather to seek for happiness in the best way in which it can be acquired; it is to expose the igno-

rance and superficiality of those would-be sages, who have gone so far as to refer the whole science of political economy to labor; when we see so vast a quantity of productions without labor; it is to show that the entire system of bounties, protecting duties, and commercial restrictions, which have produced so much want and misery, may be traced to the erroneous kindness and mistaken benevolence of reckless philanthropists, who have tried to establish royal roads to prosperity and happiness, instead of permitting individuals to seek their own interests and their own enjoyments in their own way; that it would be as impossible to transfer capital, industry, intelligence, or skill, from one country to another, by a simple act of the legislature, as it would be to transfer soil, climate, or mines: and that consequently, for any country to struggle against the natural advantages of another, without possessing similar, would be ridiculous in the extreme; that the poor are always ready to reduce every thing to a common level of equality, provided it does not touch them, or diminish their comforts; that the beneficial results of machinery, and its advantages over hand-power are incalculable; that to advocate the old system of mutual exclusion, with its consequent exasperation of national envy, national jealousy, and national hatred, is only worthy of a people living under governments founded on principles directly in opposition to the natural progress of civilization; and that the laws which direct the rate of wages, are the best that could be devised by an enlightened government, whose object is to promote the happiness of the community associated under it, by such measures as cannot be undertaken by individual or subordinate associations for themselves, or cannot be undertaken with equal advantage.

All this is told in the rough, unstudied language of actual life, in a series of lively dialogues between John Hopkins and those around him, wherein the argument in favor or against any contemplated measure, system, or law, is admirably well sustained, and all the difficulties of the subject lucidly exposed. The quantum of instruction thus to be obtained can hardly be estimated; the excellent manner in which it is put together in this volume, conveys all the information necessary for ordinary purposes, to the general reader, and in a simple and agreeable manner makes him sufficiently master of a subject, which it would require the perusal of many tomes, and the application of much hard study, to become acquainted with in the usual way. It is like extracting essences in chemistry, and giving all the virtue of bulky masses in small crystals or liquid drops. We will endeavor to give a specimen or two.

"John Hopkins is in himself a striking illustration of the perversity of mankind, in attributing the wants produced by sloth, dissipation, or indolence, to the extravagances of the rich. Believing in his own heart, that all his miseries and privations are entailed upon him in order to supply fine carriages and other reprehensible luxuries to his landlord, he applied to a benevolent fairy, who, with great good-nature, and at his own particular request, destroys by a stroke of her wand all the luxuries then in existence, in order to get rid of the evil, root and branch. John is delighted beyond measure at the prospect of seeing the rich reduced to the same flat level with himself; anticipating no small improvement in his own circumstances, by this utter annihilation of all the expensive commodities of life. On his return home, however, his mirth receives a ter-

rible check, and all pleasurable sensations are turned into dismay. All the little comforts he had hitherto possessed, however mean or humble, had made themselves wings, as it were, and fled away; the very pipe with which he was wont to console himself in the hour of affliction, had been turned into primitive clay. The mischief which had been done to the mercantile interest throughout all its branches and ramifications was incalculable; despair and famine stared everybody in the face. John hastened, therefore, to throw himself imploringly on his knees before the fairy, and right glad was he to find that amiable lady so pliable as to listen to his entreaties, that she would reverse the fatal decree, and bring back things to their former state.

"John grew wise by this lesson; and whenever any one complained of the hardness of the times, and laid it to the score of the expenses of the rich, took upon him to prove that the poor were gainers, not losers, by luxuries; and when argument failed to convince his hearers, he related his wonderful tale.

"Notwithstanding this severe lesson, and the narrow escape he had just had from the harrowing evils which his folly had so lately brought upon him, John's progress in the ways of wisdom was neither so quick or so decided as one could have wished. His next exploit was to apply to the fairy for an increase of wages. The lady reluctantly complies with his request, but with the express condition that the law should only remain in force for three months. With the increase of wages every thing rises in price; and so far from being able to purchase new articles of apparel for himself and family, as he had fondly anticipated, John soon found that double wages came far short of the balance of what was needed, to supply the commonest articles of food. His own children are turned out of the factory without work, and universal ruin threatens to overtake everybody, and to involve in one common vortex of destruction the merchant, the manufacturer, the laborer, and the mechanic. It was with no ordinary degree of anxiety, therefore, that John awaited the expiration of the three months, when the influence of the fairy's wand would cease, and wages return to their usual rate.

"He had learnt how dangerous it was to meddle with things he did not understand, and he came to a firm resolution of never more applying to the fairy, but to endeavor to get clearer ideas on such matters. This he was in some measure enabled to do through his son Dick, during the time he remained at home; for Dick, working at a factory and living in a town, had many more opportunities of picking up knowledge than a country laborer, whose life is comparatively solitary. Factory-men have so deep an interest in the rise and fall of wages, that they are in the habit of talking the matter over, till at last they get pretty good notions on the subject. They are aware that their own employment depends on the manufacturer being able to sell his goods with profit; they see, therefore, that the prosperity of the master and his workmen go hand in hand. John was surprised that Dick should turn out so knowing a lad, as he had had very little schooling. Dick observed, that working in a factory was like going to school, only that they learnt by talking instead of by reading. 'Well, but I should have thought your talk would have run on merrier matters, and that you would not have worried your brains with such difficult subjects,' said John. 'Men are sharp-witted, father,



when their interest is at stake ; and if it's fit that they should learn their calling, it's just as fit that they should be able to judge whether their calling goes on well or ill, and the reason why and wherefore.'

" 'It's not all good that's learnt by your talk in a factory, Dick. I've heard say that one bad man will corrupt a whole factory, just as one rotten apple will infect the whole heap.'

" 'It's no such thing,' replied Dick ; 'when men can earn their livelihood fairly and honestly, they are ready enough to go in the straight road ; it's want and wretchedness that leads them into the crooked paths, you may take my word for it.' "

Precisely in the same style—mingling gravity with quaintness, ludicrousness with pathos, simplicity with sound precepts—does the author treat all his other subjects. The story of the three giants, *Aquafluentes*, *Ventosus*, and *Vaporoso*, contains one of the best morals that ever was embodied in a work appealing so strongly as this does to the imagination, the understanding, and the heart ; it ought to be studied by every woman that has children, and be made a nursery theme throughout the land. But pass we on to the chapter touching emigration to the new world, where, by way of setting forth the advantages possessed by our own country over the old world, a very important question is started and debated, as to whether poor English mechanics and artisans had not better sell off their tools, avail themselves of the supposed benefits offered to them by emigration, come over to America, and turn farmers. The chances against the possible success of such a scheme, are dwelt upon with great skill and logical acuteness, and altogether the discussion is highly interesting. The subject is one of the utmost importance to mankind, as an opinion, founded on ignorance and inexperience, has too long prevailed among this class of men, that agriculture can always prosper, without the assistance of either commerce or manufactures.

There are some instances of nations peculiarly situated, which have flourished by means of commerce without agriculture ; there are also a very few examples of manufactures flourishing among a people who could have little dependence on the produce of the soil ; but there is not among all the records of past ages, a single proof of a people who have enjoyed for any length of time a spirited agriculture, without the aid of commerce, or manufactures, or both. How is it possible that it should be otherwise ; for without commerce or arts, what inducement has the farmer to cultivate the soil ? In this case every man would only wish to rear as much as is sufficient for his own sustenance, and no more ; so that if the soil could afford a hundred times the produce that is sufficient for them, it will be allowed to remain an uncultivated waste. And if, in that country, any man should be so foolish as to rear large crops, what would it benefit him ? Every man has enough for his own subsistence, so that he wants none of that superfluous produce. It must therefore be suffered to perish, without being any use at all to the owner.

For this reason, a nation peopled only by farmers, must be a region of indolence and misery. If the soil is naturally fertile, little labor will produce abundance ; but for want of exercise, even that little labor will be burthensome and often neglected ; want will be felt in the midst of abundance, and the human mind be abased nearly to the same degree with the beasts that graze the field. If the region is more barren, the inhabitants will be obliged to become somewhat more industrious, and

therefore more happy. But miserable at best must be the happiness of such a people.

Those, therefore, who wish to make agriculture flourish in any country, can have no hope of succeeding in the attempt, but by bringing commerce and manufactures to her aid; which, by taking from the farmer his superfluous produce, gives spirit to his operations, and life and activity to his mind. Without this stimulus to activity, in vain do we use arguments to rouse the sluggish inhabitants—in vain do we discover that the earth is capable of producing the most luxuriant harvests with little labor;—our own abundant crops are produced as undeniable proofs of this in vain. But place a manufacturer in the neighborhood, who will buy every little article that the farmer can bring to market, and he will soon become industrious. The most barren fields will then become covered with some useful produce. Instead of listless vagabonds, unfit for any service, the country will abound with a hardy and robust race of men, fit for every valuable purpose; and the voice of festivity and joy be heard in every corner, instead of the groans of misery, and the sighs of discontent.

The chapter on corn laws places in a very striking point of view the insurmountable difficulties of the subject, and shows that the barrier which at present exists against the establishment of a better order of things in England, cannot easily be removed. John Hopkins complains to one farmer Stubbs, of the hardship of being forced to pay so much for bread, that farmers may make profit, whilst if corn could be had from foreign parts, where it is cheaper than in England, he and those similarly situated, would be so much better off.

“Oh, that’s what you’re after,” cried Stubbs, with a shrug: “and so you would ruin the farmers of your own country, would you, to make the fortunes of your outlandish French Jackanapes. Well, I thought better of you than that comes to”—“Don’t fly off in such a huff, Master Stubbs,” said John. “God knows I have no wish to ruin you or any other farmer; nor was I for caring about making the fortunes of foreigners: what I was thinking of, was, how to get bread cheapest for my own children; and every poor man has a right to think about that; and what’s more, it is his duty too.” “Well; but you will not persuade me that the squire told you that it was good for the country to get corn from foreign parts, unless it be in times of scarcity, when the price is very high; and then, you know, the law allows it; for it don’t hurt the farmer. But as for making a free corn trade at all times, as some folks talk of, why, our landlord knows his interest too well to dream of such a thing.”

“And why should not the poor look to their own interest as well as the rich?” said Hopkins: “and if corn coming from foreign parts would make bread cheaper, why should they not say that the law of the land ought to allow it, and have an eye to their good as well as that of the landholder?” “You may think, and you may say what you please,” cried Stubbs, “but let me tell you, that as long as the landholders make the laws, they will not be such fools as to make a law to undo themselves. Ask a man to cut his own throat? why, it’s sheer nonsense!”

That’s the rub: the landholders will not cut their own throats, and meanwhile a vast population is made to suffer all the evils and inconveniences arising from a pernicious system of monopoly and favoritism; and it is by thus encouraging misguided men in standing by the extreme

abuses of a worn-out system, that England expects that society shall be tranquillized, and the "spirit of the movement" rebuked. But, however great may be the evils occasioned by the actual state of the English laws, we are far from demanding a sudden or a radical change; such a shock would too much endanger individual fortunes. In every state that dates not from yesterday, a certain number of circumstances must necessarily be found peculiar to it, which should be taken into account, in the application of social and economic principles. What, we ask, is a gradual amelioration—a progressive liberty? He who possesses a grove of trees badly planted, would be deprived of shade, if he were to cut them down at once; but if, little by little, he replaces the old plantation with one better designed, he ends with possessing a beautiful grove, without beginning with a desert.

Some writers in England have lately made an attempt to hold up the Gospel as the remedy of all social evils! But such men must be strangely ignorant of the purposes for which the Gospel was given, and what it is that the evangelists have taught. Social evils may arise from political institutions, from commercial regulations, from the state of the currency, from the pressure of taxation, from a thousand causes wholly unconnected with religion or morals; and the Gospel was no more designed to supply a remedy for these, than for the diseases of the human body. The Hutchinsonians, who sought a system of physic in the Pentateuch—the Levellers, who proposed to base English law on Leviticus, were wise men compared with him who makes such a proposition. The Gospels offer a remedy for the evils in the individual, not for those arising from the state of society, else they would have laid down the principles of a political institution; but this was expressly disclaimed by the Great Author of Christianity, who declared, "My kingdom is not of this world."

It is fortunate that that great body corporate, styled a nation—a vast assemblage of human beings, knit together by laws and arts and customs—by the necessities of the present and the memory of the past—offers in this country, through these its vigorous and enduring members, a more substantial and healthy frame-work than falls to the lot of other nations. Our stout-built constitution throws off with more facility and safety those crude and dangerous humors which must at times arise in all human communities. We are preserved from those reckless and tempestuous sallies that in other countries, like a whirlwind, topple down in an instant an ancient crown, or sweep away an illustrious aristocracy. And this very constitution, which has secured order, has consequently promoted civilization; and the almost unbroken tide of progressive amelioration has made us the freest, and may yet make us the wealthiest and most refined society of modern ages. But still, the condition of the peasantry and the laboring population is yet strongly susceptible of improvement. A vigorous investigation of the evils is the best means of discovering remedies: a good physician begins by inquiring into the nature of the disease, a quack by compounding nostrums. Above all things we deprecate angry controversy, violence, and invective, in so important a discussion; and to the consideration of all who write or speak upon the subject, we recommend an aphorism of the late Bishop of Limerick—"He who appeals to the passions of his countrymen, is their worst enemy; he who appeals to their affections, is their best friend."

It has been justly observed, that the picture of the man who draws from the stern reality of nature, has a fearful extent of application—the details indeed individualize the delineation, but the outlines belong to the invariable and unvaried laws of humanity and society. The simple pathos with which Bailie Nicol Jarvie details by what means Rob Roy was changed from an enterprising grazier into a daring leader of banditti, has never been praised proportionately to its merits, because amongst us no such scenes have been exhibited; but in Ireland, for instance, where rustic insurrections are as fixedly periodical as the return of the comets, the passage will be recognised as a description equally powerful and true of occurrences that are matters of daily observation.

But the “Northern magician” himself, has hardly produced a more faithful portraiture of life and manners, than the little book of Mr. John Hopkins contains; it records not a single incident which our eyes have not witnessed; and our ears have heard the exact words the peasants have used in expressing their anxiety and concern. But of what avail will this exposure of ills be, unless the people set about the task of removing them, themselves? The lazy countryman calling on Hercules, instead of putting his own shoulders to the wheel, but faintly typifies the folly of those who call on government to effect a moral or a political revolution. They rather resemble Hercules, sitting with his hands in his pocket, a pipe in his mouth, and a jug of whisky punch beside him, entreating a pigmy to cleanse the Augean stables.

That the science of political economy is about to undergo a great change, is manifest to all acquainted with its history. Like chemistry, it originated in visionary schemes, proposed by theoretic philosophers; but as experimentalists succeeded the old alchemists, so have practical observers taken the place of the speculative economists. The parallel might be carried farther, because the course of all sciences based on observation and experiment is nearly the same. To show how far political economy has advanced towards becoming a perfect science, we need only observe, that abstract science is, by its nature, incapable of moving any passion or exciting any feeling; there is not an appeal to the heart or the affections, in all the books of Euclid. Now, do we find the Malthusian controversy thus dispassionately conducted? far from it; the partisans of Malthus and Sadler appeal to our sympathies, our passions, and our prejudices, more than to our judgment, thereby tacitly confessing that their science is not sufficiently certain to be intrusted to the decision of reason alone. The fact is, what has above all contributed to render political economy, even at the present hour, a sort of vague science, without any stable foundation, is, that all those who have touched upon economic questions have brought to the discussion, desires, moral sentiments, views of amelioration, and notions of perfectibility.

It is always the sign of an unnatural or transitional state of society, when inquirers show a restless anxiety about the tendency of a truth, and desire to learn its practical result before they venture to develop the truth itself. Thus the Newtonian system of the universe was in some countries proscribed,—not with reference to its truth or falsehood, but to its supposed-bearing on the authority of Scripture; in this instance, the tendency was misunderstood; and in the case of most other truths, the anticipated dangers will be found similarly to vanish. Another error of the



economists, is their loose and inaccurate use of terms, and a perversely inaccurate classification;—take, for instance, the words *consumers*, *producers*, *laboring class*, *unproductive class*, etc.

With respect to the unproductive or idle class, we know nobody to whom the name is applicable but the parish paupers in England. But suppose the most voluptuous rich man, living in pomp and luxury, spending in idle ornament the vast rents raised by the laborers on his estates—his education cannot have been wholly null; the word of advice which he carelessly lets fall to his inferiors,—the caprice which demands some new commodity, destined hereafter to become an article of extensive commerce—these and similar matters contribute to the prosperity of his country. If he encourages artists,—if his treasures are expended in promoting industry, does not this rich man, whom you despise and stigmatize as idle, pay back, in many instances, the debt he contracts all his life with his fellow-citizens, by whose labor he is supported?

In short, the economists have paid too much attention to modern statistics, and too little to ancient history: statistics only furnish us with partial facts in an incomplete form, and necessarily leave us ignorant of modifying circumstances. Observation in political economy must be as rigidly conducted as experiments in chemistry, before it can assume the substance and form of a certain science.

#### ART. V.—CULTURE AND COMMERCE OF SILK.

*To the Editor of the Merchants' Magazine:*

THE mercantile and commercial importance of silk, may render the following brief commentary on its past and prospective culture, manufacture, and commercial transportation, an appropriate subject for insertion in the Merchants' Magazine. It was read before the American Institute, for whom it was prepared, pursuant to request of the legislature of Kentucky, through the Hon. C. A. Wickliffe, lieutenant and acting governor of that state, and his excellency the governor of the state of New York. The resolutions calling for the information cover a wide range of inquiry, and the replies in consequence, embrace a synopsis of the silk culture and silk trade of the states: as my practical acquaintance with the subject is limited to four or five years only, a part is necessarily drawn from history and tradition.

The silk known in commerce is the produce of the silk worm, which, by Linnæus, ranks in fifth class of animals, and in Lepidoptera or third order of insects, genus *Phalena*, species *Bombyx*, variety *Mori*. It is a native of Asia, where, since a very remote period of time, it has been cultivated for its cocoon of silk that encloses the chrysalis or middle state of existence.

The silk worm was introduced into Europe early in the Christian era, and into the North American colonies early in the seventeenth century. Virginia, Georgia, and the Carolinas, were the first to engage in the silk culture, and raw silk formed an important integer in the total of their exports one hundred years ago.

Connecticut engaged in the silk culture about the year 1760, and about 1770 the people of the northern colonies (middle and eastern states) generally, were roused to a sense of the importance of silk in the domestic economy of the country. Dr. Franklin, and contemporaneous writers and philanthropists, urged the importance of a reeling establishment, which was erected at that time in Philadelphia, under the auspices of the Philosophical Society of Pennsylvania. In the summer and autumn of 1771, the reeling establishment or "filature," received two thousand and three hundred pounds of cocoons; six hundred pounds of which were reeled for the owners, and seventeen hundred pounds were purchased by the managers from the producers in Pennsylvania and New Jersey; the first named state furnishing about two thirds, and the latter about one third of the whole quantity. About ninety individuals furnished the cocoons, and in a list of their names and residences now before me, I find John Etwine, of Northampton county, Pa., furnished one hundred and ten pounds, being the largest quantity from any one person. At that period, and up to 1774, the colonial silk culture attained a rank of much importance; more on account of the large number of philanthropic individuals engaged and determined to persevere in it, than from the amount of silk produced in the aggregate; and it is *probable* that the impetus which the business then received, would in a few years, under ordinary circumstances, have given it a rank in amount of exports, of still greater importance. But extraordinary circumstances suddenly arrested all advances in the arts of peace. The inherent rights claimed by the colonies, and disputed by Great Britain, led to open hostilities; the conflict was long, obstinate, and deadly. On the return of peace, in 1783, poverty, and a want of the necessaries of life, pervaded the States. Of the former silk culture no vestige remained except in Connecticut, where, in one county, a little remote from the busy conflict, it continued and still continues to flourish and increase in magnitude and importance.

Up to 1812 the silk of Connecticut was principally manufactured into sewings. The raw silk employed for the manufacture of coach lace, tassels, and fringe, was imported at an average cost of about six dollars per pound. The war between Great Britain and the States cut off the supplies, and in 1814-15, raw silk rose to thirty dollars per pound. A gentleman of Newark, N. J., at that time employing about twenty hands in the manufacture of coach lace, informs me that he obtained his supply of "Floss Silk" (raw silk freed from the natural gum) from Mansfield, Conn., and the quality, both in strength and lustre, was "much superior to the best imported silk." Since the peace of 1815, the manufacture of "Tuscan" for hats, has materially increased the consumption of raw silk in the States, and the supplies are mostly drawn from abroad; a part coming direct from ports to the eastward of the Cape of Good Hope, and the remainder from the European Continent, by the way of England, where it is *not* cultivated, but is manufactured to an amount of many millions of dollars annually. From the commencement to the first quarter of the present century, occasional articles through the periodical press drew the attention of many to the importance of commencing or extending the silk culture. The subject was discussed in the national legislature, a voluminous report made to, and a manual on silk culture issued by the congress in 1826. The subject was also discussed in the

state legislatures, and Massachusetts, as usual, was among the first to act in the patriotic work; in 1831 the legislature appropriated six hundred dollars to compile and print a manual on the culture of silk, for distribution in the city of Boston, and in every town in the commonwealth. The work, by order of the governor, was prepared by J. H. Cobb, Esq., of Dedham, Mass.; it is known by the name of "Cobb's Manual," and is published by Carter, Hendee and Co., Boston. As a manual on silk culture, it is by far the best that I ever saw, and intrinsically worth more than all the other "books and pamphlets" on the subject, that have been issued from the European or American press; it treats the subject in a plain, common sense style, is concise, has less than one hundred pages, 12mo., contains full and ample information, can be read in one evening, and from its perusal all persons of ordinary intelligence may be fully competent to manage the culture and reeling of silk. The book also contains some *erroneous calculations* on the *profits* of silk culture, and it is to be regretted that a work otherwise so accurate and useful, should have contained such extravagant *over-estimates* of the quantity of silk that can be produced on an acre, and the profit to be derived from it; such calculations are, however, mostly quoted by Mr. Cobb from some other author, and among them it is not uncommon to estimate from an acre of trees, 500 or 600 pounds of silk; an amount at least seven times greater than was ever produced from an English acre, under any circumstances, in any climate or country. The Massachusetts Legislature passed an act to encourage the silk culture in 1835, and repealed it by a new act in 1836, giving a bounty of 10 cents per pound for cocoons, and one dollar per pound for raw silk made in the state.

The Legislature of Connecticut in 1832 passed an act granting a bounty of one dollar for every 100 mulberry trees transplanted, and fifty cents per pound for all "reeled" (raw silk) made in the state; this act was repealed in the winter of 1838-9.

Maine in 1836, by legislative enactment, gives a bounty of five cents per pound for cocoons, and fifty cents per pound for raw silk made in the state. Vermont gives, by enactment of the legislature, a bounty of ten cents per pound for cocoons; and New Jersey in 1836 enacted that for five years cocoons raised in the state should receive a bounty of fifteen cents per pound; the act "excepted bodies corporate and politic," and was repealed the following year. Acts similar to the foregoing were passed by other legislatures about that time, and many stock companies were incorporated for the manufacture of silk. The country was prosperous beyond any former precedent; and in one year (1836) the importations of silk (mostly manufactured goods) amounted to twenty-two millions of dollars; more than twofold greater than the average importation of the same article in former years; other circumstances also assisted to render the present a very memorable epoch in the history of silk in America. The legislative bounties, incorporations of manufacturing companies, and general prosperity, raised up a new branch of the trade, inappropriately named the "Silk business." It consisted of the growing, purchasing, and selling of mulberry trees; fancy and captivating names were given to new varieties of old species; and different individuals and periodicals were urgent in claiming superior excellence for some favorite species or variety. From various causes the "*Morus Multicaulis*" (inferior to most other kinds for the silk culture) took precedence of all others

in the "Silk business," so called. Trees of one year's growth, which could be raised for one or two cents, were sold for one or two dollars each; and the sales amounted to several millions of dollars. To satisfy the demand, many thousand were imported, and like the Holland "Tulip business," sales to the amount of many thousand dollars were made for trees to be delivered in six months or a year. Other species and varieties of mulberry trees sunk into comparative insignificance. The *Morus Alba*, (common white mulberry,) universally esteemed one of the best for feeding silk worms, could not be sold for one cent, or the price of transporting a few miles.

The individuals engaged in the new "Silk business" had generally little or no connection with the silk culture, and from a want of information on the subject, may have honestly assisted to increase the demand for some particular kind of which they had the largest quantity for sale. Most of the purchases were made by persons engaging in the *same business*, and so extravagant were the estimates of profit, that for each thousand dollars invested in *Multicaulis* the past spring, even at the then high prices, it was generally supposed that fifty thousand dollars could be realized by the sale of the increased buds in the autumn of 1839. A mulberry tree called "Sharp's Variety," exhibited at the annual fair of the American Institute, in October last, was represented to be a scion of a seedling raised by Mr. Sharp, who sold his interest in one half of the parent tree for *ten thousand dollars!* This new "Silk business" has probably reached its acme. There is now a sufficient stock of mulberry trees in the states, to supply all the silk culturists on the continents of Europe and America for the remainder of the nineteenth century, and "Silk business" men do not seem to increase in a ratio with trees; for the *Morus Multicaulis* are now offered in great abundance, and find no buyers "at three cents per tree, healthy and well branched;" a just estimate of their probable value in the autumn of 1840, I think would not exceed three dollars per cart load. For on the present decline of the new "Silk business," the demand for trees to supply the silk culture, can never be sensibly felt, as no prudent culturist will ever spend more than five or ten dollars for a full and ample stock of any or every species, which will increase in foliage as fast as he will find hands to gather them, or accommodations for the valuable insect that is to consume them. All philanthropic silk culturists ever have, and still continue to make presents of trees, in sufficient quantities for commencing the silk culture, to all persons who apply for them. I have had no commerce in trees, but have derived much pleasure from contributing, and am always happy to contribute *gratis* one tree of each and every known species of mulberry, to every applicant who is desirous of commencing the silk culture. Five or six trees multiplied by cuttings or layers, will the first year produce five or six hundred trees, and be amply sufficient for commencing this useful branch of domestic economy.

The joint stock companies created within the last eight years for the manufacture of silk, struggled for a while under the natural burden of difference in price between the labor of the States and of Europe, and against the unnatural obstructions heaped on by our own government, in taxing the raw material coming from the eastward of the Cape of Good Hope, a duty of ten per cent., while all the silk manufacturers of Europe, who obtained much of the raw material from the same source as ourselves,



at a cost materially less, were permitted by the "French indemnity treaty" to crowd our market with manufactured silks, free of duty. The result was disastrous to the American silk manufacturers; all or nearly all became bankrupt and ceased operations. The history of a few may serve for a history of the whole.

The "Atlantic Silk Company" at Nantucket commenced manufacturing with a capital of \$40,000, which is all lost, and the company have ceased operations.

The "Valentine Silk Company" of Providence, R. I., lost \$20,000 by manufacturing; they have ceased operations and probably ceased to exist.

The "Poughkeepsie Silk Company" lost all which they risked in manufacturing, and their large four story building erected for that purpose, is now rented to others for the manufacture of pins, buttons, and carpets.

The "Northampton Silk Company," at Northampton, Mass., commenced operations with a cash capital of \$80,000; they injudiciously added to their manufactures the culture of silk, which they have since abandoned, and which never can be profitably conducted by incorporated companies with high salaried agents. They also went largely into the *new* "Silk business," but in that branch they were not fortunate in the selection of attractive names for their trees; for at the present time, after five years' struggle with their combined operations, they have sunk the original capital, and are besides \$40,000 in debt.

Amidst all the trials and vicissitudes of the last fifty years, the legitimate silk culture, like some bright star in a troubled atmosphere, has moved steadily onward, ever shining through the mist of doubt that bedimmed the space between promise and hope. The germ which eighty years since commenced in Connecticut, passed unscathed through the time and form of chrysalis which "tried even men's souls," and is now an insect, winged and perfect; multiplying its species and usefulness in building a tower which can resist the combined opposition of overreaching diplomacy from without, and misguided legislation from within. Silk is now cultivated in twelve or fifteen states of the Union. The quantity produced is yet small, probably not exceeding 20,000 lbs., of which Connecticut furnishes a very large proportion. In most districts the business is new, and those engaged in it are laying the foundation for a much greater yield. The climate, from our southern border up to forty-two or forty-four degrees north latitude, is in all respects suitable for the silk culture. As an auxiliary branch of farming, the feeding of silkworms is as profitable as the feeding of poultry; and the silk will find as quick and ready a market as poultry. Both are deemed indispensable to the comfort of society, and will be consumed at any price. Both are profitable when cultivated as collateral branches by the farmer, and both, or either one, when raised as an exclusive business are *not* profitable, but ruinous, even at the lowest rates of labor in this country. With the long-tried experience of Europe, and the low price of labor in that country, the whole continent does not furnish an instance of profitable silk culture conducted exclusively for that business. No establishments are there erected, or stock companies created to make silk, but silkworms are fed, and millions of dollars worth of silk is annually made at a good profit, by the peasants and farmers; who in connection with their other employments, feed as many silk worms as will occupy the spare room in the dwelling and outhouses.

The reeling of silk (making raw silk) has hitherto been connected with the silk culture in the states, and generally the same families that raised the cocoons, have often not only reeled but also twisted it into sewings. For family use, "Dale's" is probably the best reel; it is the most simple in construction, and costs three and a half or four dollars. There is, however, very little difference in the merits of the numerous silk reels; the preference is always in favor of the cheapest; the high prices are caused by a studied complication, which never improved but always lessened its merits. Raw silk can be most advantageously made in "filatures," or reeling establishments confined exclusively to that branch of the business. The silk manufacturers always require their raw silk to be of even thickness, with some definite number of fibres to each thread, and large quantities of each size. The "filatures" alone can furnish such requirements; for each family can raise only from five to fifty pounds annually, and when different hands conduct the reeling, it is difficult to find two parcels of equal number of fibres or of equal thickness. The raw silk in bales of two hundred or four hundred pounds, always commands the highest price in European markets.

The silk culture is simple and a suitable employment for children. For my views on that part of the subject, I beg to quote from a former communication which I had the honor to furnish in February, 1838, in answer to a circular from the committee on agriculture in the House of Representatives of the United States. It is embodied in the printed documents of that session, and therefore only the part particularly relative to this branch of the subject need be inserted here.

*Extract from Report No. 815, House of Reps., 25th Congress, 2d Session.*

"What kind of soil, and what situation and exposure, are the best for the production of the mulberry?"

A rich, light, sandy soil, is the best for the mulberry, though it will thrive well on any soil which is not wholly silicious, like the immediate border on our Atlantic coast. Next to pure silex, the soil least adapted to the mulberry is that purely argillaceous, or compact and hardened clay. Gently rising ground, or a moderate eminence, open to the full action of the sun, is the best situation, and south is the best exposure.

"What species of the mulberry is the most valuable, taking into consideration the capability of enduring cold and frost, the quantity and quality of the foliage, and the labor of culture and stripping?"

Taking into consideration all those properties, the *Brussa* mulberry is the best species for feeding the silkworm. I wish, however, to be understood, that by *Brussa* I do not mean all those various kinds which are sold under that name; but I have a direct reference to the tree or trees which Mr. Charles Rhind brought from *Brussa* to this country. I would remark that species is a very indefinite term to designate the most valuable mulberry, because among the many millions of trees from the seeds of each species, there are not two trees equally valuable or perfectly alike; each individual tree (considered as food for the silkworm) forms a distinct variety, differing as much from each other as each individual of the human race differs from all other individuals of the same species, or as much as the fruit of one individual tree differs from the fruit of all other individual trees, raised from seed of the same species. Mulberry trees which produce leaves perfectly alike to the delicate taste of the silk

worm, must be not only of the same species, but also scions of the same parent stock, produced by cuttings inserted in the soil, or by inoculation or ingrafting. I would further remark, that the seeds from each and every species of mulberry, furnish some individual trees which are not suitable food for the silk worm; and further, that the seeds from nearly every species of mulberry furnish some individual trees which are good and valuable food for that insect; hence, the best method to produce a good mulberry orchard, is to select one tree possessing all the desirable properties, and multiply it by cuttings. By this method a good and valuable mulberry orchard may be made from the indigenous trees of this country. The species native black mulberry furnishes some individual trees which are, in every respect, good and valuable food for the silk worm. The native black mulberry is equal, in quality, to the best in the world; the leaf is generally *smaller* than the Brussa, and is therefore inferior in quantity, because one hundred pounds of large leaves can be stripped at less expense than the same weight of small leaves.

"What is the best mode of cultivating the mulberry? at what age may it be stripped, and what is its value, expense, and profit per acre?"

The nursery should have a southern and eastern exposure, a rich, light soil, and the seed (when *new* varieties are wanted) should be sown in rows three feet apart. When a particular variety is wanted, the particular tree which is to be multiplied must be cut in short lengths, leaving three eyes on each piece, and planted one foot distant, in rows three feet apart, leaving only one eye above the ground. The best time for this operation is in the spring, when the buds have swelled almost to bursting. The best time for transplanting is very early in the spring, as soon as the ground is free from frost; this should be done when the seedlings and cuttings are one year old. The open ground to receive the young trees should be made mellow one foot deeper than the length of the roots, and the top of every tree should be cut off, so as to leave only three or four eyes above the root. The tops will form cuttings for the nursery, while at the same time the health and growth of the trees will be much benefited by the operation. Trees thus treated, may be stripped the second year after they are transplanted, and would cost, standing in the nursery, about one cent each; the transplanting can be done for four cents more, making five cents for each tree standing in its permanent place. The "profit per acre," depends on many contingencies, such as cost of land, cost of labor to gather leaves, cost of building to shelter worms, etc.; in relation to which, I would remark: First, any number of acres appropriated *exclusively* to the growth of mulberry and culture of silk, provided the building is appropriated *exclusively* to the worms, will *not* afford any profit, because the gross amount of silk thus raised, will *not* (after deducting a just estimate for labor,) pay a reasonable interest on money invested for trees, land and buildings. Secondly, every farmer in the states, south of forty-five degrees north latitude, can raise from one hundred to three hundred dollars worth of cocoons in the *spare room* of an ordinary barn and dwelling; and this would be *all profit*, if the silk is considered, like poultry, a collateral branch of farming.

"Which is the most valuable species of the silk worm? What is the best mode and time for their propagation; the quantity, quality, value of, and market for, the cocoons?"

The species *bombyx*, of Linnæus, comprehends *many* varieties of the most valuable silk worm, among which is the Asiatic, (*mori*), divided into *many* sub-varieties, and distinguished only by the color, shape, and weight of their cocoons. Their relative value may be expressed thus: by Linnæus, genus *phalena*, species *bombyx*, variety *mori*.

#### SUB-VARIETIES.

*White cocoon*—peanut shape, compact, and reels well; six and a half grains of pure silk; most valuable for this country, because it gives the greatest quantity of good silk.

*Bright yellow cocoon*—egg shape; four to five grains of pure silk; lustrous; cultivated in Connecticut for more than half a century; reels bad, and therefore of less value.

*Pale yellow cocoon*—peanut shape, compact, reels well; three to three and a half grains pure silk, very soft; receives best dye; is much cultivated in Europe.

*Golden yellow cocoon*—peanut shape, very compact, reels best; two and a half to three grains pure silk, very lustrous and strong; much cultivated in Spain; is best for fine white ribands. The coloring matter in all the cocoons is contained in the natural gum, which can be removed by boiling in soft water, leaving the silk white and lustrous.

There are four varieties of silk worm indigenous to the United States, and not found in any other part of the world. They make a large quantity of course, strong silk, which can be used at present only by carding. Education may cause these worms to spin in a form suitable for reeling, when the largest kind (*cecropia*) would, for many domestic purposes, become very valuable to this country. Their relative value may be expressed thus:

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*Cecropia*—feeds on elder; cocoon, nineteen grains pure silk.

*Polyphemus*—feeds on scrub oak; cocoon, fourteen grains pure silk.

*Luna*—feeds on acacia, (locust,) cocoon, eleven grains pure silk.

*Pomethea*—feeds on sycamore, (button ball,) cocoon, nine grains pure silk.

The best mode and time for the propagation of the Asiatic silk worm, (*mori*), is, to expose the eggs to hatch, for a few hours in a paper box, near a fire; feed the worms regularly three times per day; admit air freely, and remove the filth at least once a week. At about the fortieth day they will commence winding, and in four days more they will have finished the cocoons, when those for reeling should be put in the oven, to remain half an hour, (after having drawn the bread,) to kill the chrysalis; those for seed should be placed, uncovered, in a dark room, on paper, where the perfect insect (moth,) will come forth in twenty days, to cohabit, deposit eggs and die in eight days more. The eggs should be left adhering to the paper, rolled up and placed in a dry, cool, and dark place until wanted to hatch for the following season. The extreme cold of this climate will not injure the eggs. Dampness and the direct rays of the sun are very injurious to the eggs and worms in all their stages. The time for hatching is best when the trees first put forth leaves. Each worm spins one cocoon, and each female moth deposits about seven hundred eggs. Allowing the sexes equal, one hundred



moths would give an increase of thirty-five thousand worms. "The quality and value of cocoons" are given in preceding remarks. A good market for cocoons is found at silk manufactories, which are already sufficiently numerous for the quantity of silk grown in this country. A more suitable market would be an establishment *exclusively* for reeling. Such an establishment does not exist in the states; but it is probable that interest will induce individuals to erect them as soon and as fast as cocoons can be raised to supply them.

Since writing the foregoing, experience has increased the favorable opinion therein expressed in regard to the native black mulberry. The best Italian sewings are made from worms fed on the black mulberry of Calabria. Mr. Caldwell, of Clark county, Virginia, sent me two bushels of cocoons, from worms which he fed entirely on the native black mulberry. I exhibited them at the fair of the American Institute in October last, where a part of them were reeled and twisted into sewings by Mrs. Brooks, a very intelligent and skilful lady from Massachusetts. She has four years practical acquaintance with silk reeling, and she remarked that these cocoons from the black mulberry made the *strongest silk that she ever saw*, and considered it *superior to all others for sewings*. There is not much difference in the silk made from the different species of mulberries, when the compared specimens of produce are all by the *same sub-variety of worm*. Generally, all silk worms will make the strongest and most lustrous silk from the most hardy and tough species or varieties of mulberry; and the mulberries most tender and perishable afford silk of the least strength and lustre. Hence, if strong and lustrous silk is preferred, then the *black*, the *Brussa*, and the *common white* are the *best* mulberries for the silk culture. And the *Alpine*, the *multicaulis*, the *Chinese*, and many similar varieties are best for producing a comparatively dull and weak-fibred silk. The silk made from the *morus multicaulis* much resembles cotton in strength of fibre.

The black mulberry is also known to be a very superior timber. A few facts that have come to my knowledge may not be inappropriate here. The schooner *Union*, built at Lodi, N. J., about forty-three years ago, had a large portion of her upper timbers and most of the trunnels of native black mulberry. In fourteen years afterwards she was overhauled, when her deck planks of Georgia pitch pine were much decayed; the white-oak futtocks were completely destroyed by rot, and the white-oak timbers and bottom plank were much decayed, while every timber and trunnel of black mulberry was perfectly sound. She beached and stranded during a severe gale near the mouth of the Delaware, after a constant service of more than twenty years; and at no time from her launch until her wreck was there any perceptible sign of decay in the mulberry, although the trunnels of this wood were driven into the upper futtocks, where, (in common with the upper timbers,) decay always commences first in vessels of her class. The black mulberry used in her frame measured from sixteen to eighteen inches across the butt. The sloop *Highlander*, built near Belleville, N. J., more than thirty years ago, is now running on the Passaic and Hudson rivers. All her upper timbers and most of the upper futtocks are mulberry, principally white; and although more than thirty years have elapsed since her launch, yet no sign of decay has ever appeared in the mulberry employed in her frame, while some of her white-oak timbers have long

since crumbled from the spikes. Mr. Cornelius Kingsland, a highly respectable and intelligent shipwright, who built the Highlander, informs me that he has built as many as thirty vessels, in a large number of which he employed native black mulberry, and from long experience is convinced that for durability and strength it is superior to white-oak, chestnut, cedar, wild cherry, red elm, or locust.

I am aware that some fastidious gentlemen contend that there is no black mulberry in the states; such opinions are founded on the fact that Linnæus speaks of red (*rubra*) only in America. Names are given to *facilitate* science; and when we have trees bearing pleasant fruit it is very *convenient* to designate them with specific names. We have an indigenous tree bearing black mulberries, and it is by *general consent* called, "*black mulberry*," notwithstanding Linnæus and his followers may insist that it is "*rubra*."

Silk forms a very large integer in the trade and commerce of nations. The natural advantages of the states are favorable to participation in a full share of its culture, manufacture, or commercial transportation; but foreign treaties and internal legislation have not placed this country "on a footing with the most favored nations." It is not my business or intention here to discuss the issue of "free" or "restricted trade," but I deem it within my province to notice some apparent inconsistencies, which, (although they have a controlling influence in the American silk trade,) cannot be reconciled to any known system of policy or political economy. Manufactured silk, except sewings, from all Europe, are permitted to enter our ports "free," and the present distress in the country tells a startling tale of the very *free use* made of the privilege by foreign artisans and foreign ships. While our own manufactures are restricted by a duty of ten per cent from beyond the Cape, and twelve per cent from Europe, on the raw material which was to employ and support this important handicraft. The *same causes* which restricted the handicraft, also restricted the "carrying trade" in "American bottoms."

A gentleman of Boston, an enlightened and intelligent traveller, and long a resident of Canton, has furnished me with full and complete returns of the export silk trade of China, from 1831 to 1838, inclusive; and the facts therein show that of the raw silk annually exported from Canton, only about one hundred and fifty piculs are shipped to America, in American vessels; while the large quantity of nine thousand piculs are sent to England, in English ships, on English account. It is then manufactured in Europe, and sent mostly in European bottoms to enter the American market "duty free!"

I regret that the nature of this communication will not permit giving the valuable details furnished me of the China silk trade, but the export of raw silk from Canton, for a few years, may serve to illustrate the tendency of all the Asiatic raw silk trade from ports beyond the Cape of Good Hope.

EXPORTS OF RAW SILK FROM CANTON.

	<i>To America in American ships.</i>	<i>To England in English ships.</i>	<i>To England in American ships.</i>
1832-3	144 Piculs.	6,651 Piculs.	None.
1833-4	210 "	9,836 "	80 Piculs.
1834-5	13 "	10,000 "	None.
1835-6	225 "	9,276 "	None.

The Chinese picul is equal to one hundred and thirty-three and a third avoirdupois pounds. The prices of raw silk at Canton in 1832-3, were for "Nankins," \$351 per picul, "Canton," \$255, and "Common quality," \$58.

Under the existing regulations of manufactured silks, an import duty, whether of ten, or ten thousand per cent, on raw silk, can have no influence to encourage or depress the silk culture of the states. This may seem paradoxical, but the elucidation is simple and easily understood. The silk culture is the producing of raw silk. Raw silk has no value, except that arising from its use in "silk manufactures." The comparative price of manufacturing labor, enables Europe to make "silk manufactures" much cheaper than they can be made in the states, and by the existing ("free") regulations, Europe can and does supply our market with "silk manufactures" at prices that prevent the possibility of competition by our own manufacturing establishments, which must cease operations and leave the value of raw silk to be regulated by its use in silk manufactures of Europe, where an American import duty of ten or ten thousand per cent cannot affect it. By the present tariff, the only manufactured silk chargeable with duty, from Europe, is the sewings, which pay 28 per cent, and which enables American manufacturers to compete with the European sewings in our market. This at present consumes nearly all the raw silk made in the states, and if an additional import duty was levied on sewings, or if an equal duty was levied on any or all other "silk manufactures" *required in the market*, then, and not till then, would a duty on raw silk have a controlling influence on the American Silk Culture.

Yours, etc.

C. F. DURANT.

*Jersey City, Dec. 13, 1839.*

ART. VI.—SUGGESTIONS ON THE LAW OF AUCTIONS.

So numerous and diversified are the business relations of men, that in civilized societies there will always exist a necessity for the occasional employment of substitutes or agents. There are several kinds of commercial agencies recognised by law, and of frequent use; to all of them are attached peculiar responsibilities, a knowledge of which, though imperfect, is of importance to those engaged in any of the departments of industry. A common species of agency in mercantile communities, is that of *auctioneers*. Their duties to principals, to purchasers,

and to the public, are oftentimes intricate ; they are, in part, prescribed by the common law ; in some instances, they are ascertained by an application of the enlarged principles of the civil law ; in England and in this country, many of their rights and obligations, particularly their duties to the government, are the subject of special legislative enactment and regulation. It is proposed to present an outline or analysis of the two important statutes of New York upon the subject of auctions, and subsequently to give some of the leading legal principles connected with the agency of auctioneers ; in doing this, it is not intended to refer to the authorities from which those principles, or the language in which they are clothed, are extracted, as in articles prepared for popular use, such course is unnecessary.

An auctioneer is a person who is authorized to sell at public auction, for a commission. In the old English law, an auctioneer is sometimes called a *broker* ; but now there is a marked difference between them ; for instance, a broker may buy, as well as sell ; an auctioneer, generally speaking, can only sell : a broker may sell at private sale ; the auctioneer must sell at public vendue.

Sales by auction are of early institution. The most remarkable instance of such a sale, was the offer of the Roman soldiery, after the death of Pertinax, to dispose of the Roman world at public auction. Historians agree that the sale was by auction, though they do not concur in the opinion that it was proposed by the soldiers. Gibbon states that the purchase was made by Julian, A. D. 193, for upwards of two hundred pounds sterling to each soldier.

When a sale took place in Rome, a *spear* was fixed in the forum, by which stood a crier, who proclaimed the articles which were intended to be sold. A catalogue was made in tables, called *auctionaria*. The seller was called *auctor* ; the bidders, *sectores*, who signified their biddings by lifting up their fingers, and the highest bidder became the purchaser ; the right of property conveyed to the purchaser, was called *auctoritas*. The custom of setting up a spear at an auction was derived from the circumstance, that at first only those things which were taken in war, were sold in this manner. Hence *hasta* (a spear) is put for a public sale ; and *sub hastam venire*, to come under the spear, (or as we should say, to come under the hammer,) denotes to be publicly sold. This was termed *auctio*, increase ; because the goods were sold to him, *qui plurimum rem auget*. It was necessary to have permission from the magistrate for a sale.

At a later period, the purchase of goods cried and sold, was proclaimed by sound of trumpet. The use of the spear was continued ; whence auctions were called *subhastationes*, and the auctioneer denominated *subhastator*.

The usual mode of conducting sales at auction in England and with us, need not be explained. The practice in Holland is this ; an estate is put up at a high price, and if nobody accepts the offer, a lower is named, and so the sum first required is gradually reduced, till some person closes with the offer. Thus, of necessity, there is only one bidding. This kind of sale, by bidding downwards, is called a *Dutch auction*.

There is a kind of sale practised in England, which is called *selling by inch of candle*, which is thus conducted. Notice is usually given upon the exchange in writing, and elsewhere, when the sale is to begin,



against which time the goods are divided into several parcels, called lots, and papers printed of the quantity of each, and of the conditions of sale, as that none shall bid less than a certain sum more than another had bid before. During the time of the bidding a small piece, about an inch, of wax candle is burning; and the last bidder, when the candle goes out, has the lot or parcel exposed to sale.

In some cases a price is put, by the owner of the property to be sold, under a candlestick, and it is agreed that no bidding shall avail if not equal to that; this is called *dumb bidding*.

In the north of England, sales, where the several bidders do not know what the others have offered, are denominated *candlestick biddings*.

A very singular kind of sale is mentioned in 1 Dow. iii. The auctioneer was a female, who never spoke during the whole time of the sale, (one is tempted to doubt the accuracy of the reporter as to that matter,) but immediately after any person bid gave him a glass of brandy, and after the sale broke up, he that received the last glass of brandy was, in a private room, declared the purchaser. No "fifteen-gallon law" existed at that time!

We now give an analysis of the statute.

Any citizen of the state of New York may become an auctioneer, in the county in which he resides, on executing and depositing with the comptroller an approved bond in the penalty of ten thousand dollars, with sureties for the payment of the auction duties, and the faithful performance of the duties of his office. The bond runs to the people of the state, and the sureties must be two sufficient freeholders; if the bond be executed by an auctioneer appointed in a city, it must be taken and approved by the mayor, or recorder, of such city; if executed by an auctioneer appointed for a county, by any judge of the county courts of such county. The officer taking the bond, must endorse upon it a certificate of his approbation, and of the day it was taken, and deliver it thus endorsed to the auctioneer, who within ten days thereafter must pass it to the comptroller. Every officer taking such bond, must transmit a notice to the comptroller without delay, stating the name of the auctioneer and his sureties entering into the bond, and the day it was executed and approved.

An express clause is inserted in the bond, subjecting the same to forfeiture, in case the obligor shall not render a true and accurate account quarterly, of all goods sold or struck off by him, dated on the first days of April, July, October, and January, in the year for which he is appointed.

Each account must state minutely and particularly—

1st. The sums for which any goods or effects were sold at every auction held by him, or in his behalf, from the time of his entering into such bond, or the date of his last quarterly account.

2d. The days of sale, amount of each day's sale, designating sales made by himself or in his presence, and those made in his absence by a partner or clerk, acting in his behalf, and specifying the causes of such absence.

3d. The amount of all private sales made by himself, or any of his partners, on commission, and the days of such sales.

4th. The amount of duties chargeable under the provisions of law, in all the sales, public and private, mentioned in the account.

5th. A distinct statement of all goods struck off, but not actually sold. On all goods so struck off, the auction duties must be paid.

Every such account, within twenty days after its date, must be exhibited, if made out by an auctioneer appointed in a city, to the mayor or recorder thereof; if by an auctioneer appointed for a county, to any judge of the county courts of such county. The account must be sworn to by the auctioneer; the oath must be reduced to writing, endorsed on the account, and be subscribed by the auctioneer taking it. Every partner of such auctioneer, and every clerk or other person whatever, in any way connected in business with such auctioneer, who shall have made any sale contained in said account, must make and subscribe an oath to be endorsed on the account, that he believes it to be a just and true account in every particular.

Every partner or clerk, who shall have made any sale in behalf of an auctioneer, must, in the account rendered by such auctioneer, set his name, or the initials thereof, opposite to each sale made by him, mentioned in such account; and make and subscribe an affidavit to be annexed to such account, stating that sales so noted are all the sales liable to auction duties, public or private, made by him within the time mentioned in the account, and that the account of such sales, so therein stated, is just and true; that such sales were made by him, in the absence of such auctioneer, who was unable to attend, from the causes specified in his account; and that in all acts performed by him, in behalf of such auctioneer, during the time aforesaid, he had endeavored to conform to the intent and meaning of the laws regulating sales by auctioneers.

The auctioneer must pay the duties accrued on the sales mentioned in his account, together with the additional sum of two and one half per cent on the whole amount of such duties, within ten days after the exhibition of his account, for the use of the state; and immediately after such payment, he must deliver or transmit his account, with the affidavits endorsed thereon, and annexed thereto, to the comptroller, to be filed in his office. Every such payment, if by an auctioneer appointed for any other place than the city of New York, must be made to the treasurer of the state; and by every auctioneer in the city of New York, to such bank in the city as shall be designated by the comptroller, as entitled to the state deposits by law; and the receipt of the proper officer of the bank must be taken therefor; which receipt the auctioneer must immediately transmit to the comptroller, who shall certify thereupon such payment to the treasurer, and charge him with the amount.

Every auctioneer, who within the period limited for his accounting, shall have made no sales, public or private, of property liable to auction duties, must make and subscribe an affidavit of those facts, before any officer to whom his account, had such sales been made by him, might have been exhibited, and must transmit a copy of such affidavit, certified by the officer taking it, to the comptroller, within the same time that an account is required to be rendered. Every auctioneer, partner or clerk of an auctioneer, and every person whatever in any way connected in business with an auctioneer, who shall refuse or neglect to perform any act or duty, which are required by any of the provisions above recited, commencing with the requisition that he shall make out his quarterly account on the first days of April, July, &c., is subject to a penalty. And

every such refusal or neglect by an auctioneer, shall be certified and published by the comptroller, in the state paper; and from the time of publication, the delinquent auctioneer therein named, shall be deemed to have forfeited his appointment, and shall be incapable of doing any act by virtue thereof.

All goods, wares, and merchandise, and every other species of property, with the exceptions hereinafter mentioned, are subject each and every time they are struck off at public auction, within this state, to duties at the following rates:

1. All wines and ardent spirits, foreign or domestic, at the rate of two dollars in every hundred dollars.

2. All goods, wares, merchandise, and effects, imported from any place beyond the Cape of Good Hope, and sold in packages, bales, trunks or casks, as imported, at the rate of one dollar on every hundred dollars.

3. All other goods, wares, merchandise, and effects, at the rate of one dollar and fifty cents on every hundred dollars. The duties are calculated on the sums for which the goods so exposed to sale shall be respectively struck off, and must in all cases be paid by the person making the sale.

All goods must be struck off to the highest bidder, and where the auctioneer or owner, or any person employed by them or either of them, shall be such bidder, they shall be subject to the same duties as if struck off to any other person; but this does not render valid any sale that would otherwise be fraudulent and void. All articles except those to be hereafter mentioned, sold on commission by an auctioneer or clerk of an auctioneer, or by a person in any way connected in the auction business, or in auction sales with an auctioneer, whether at auction or private sale, are liable to the duties before enumerated.

No auction duties are payable upon the following goods and articles: ships and vessels; utensils of husbandry, horses, neat cattle, hogs, and sheep; articles of the growth, produce, or manufacture of this state, except distilled spirits; all fabrics of cotton, wool, hemp, and flax, manufactured within the jurisdiction of the United States; goods and chattels otherwise liable to the auction duties, are exempt therefrom, if sold under the following circumstances:

1st. If they belong to the United States or to this state.

2d. If sold under any judgment or decree of any court of law or equity, or under a seizure by any public officer, for or on account of any forfeiture or penalty, or under a distress for rent.

3d. If they belong to the estate of a deceased person, and be sold by his executors or administrators, or by any other person duly authorized by a surrogate.

4th. If they are the effects of a bankrupt or insolvent, and be sold by his assignees appointed pursuant to law, or by a general assignment for the benefit of all the creditors of such bankrupt or insolvent.

5th. If they are goods damaged at sea, and be sold within twenty days after they shall have been landed, for the benefit of the owners or insurers.

All sales at public auction in the city of New York, not under the authority of the United States, and all such sales in other parts of the state, where duties are payable on the effects to be sold, must be made by an auctioneer who shall have given the security required, as was herein-

before mentioned, or by a co-partner or clerk of an auctioneer duly authorized under the provisions of law; but where no duties are payable, all such sales, except in the city of New York, may be made by any citizen of the state.

When an auctioneer cannot attend an auction by reason of sickness, by duty as a fireman, by military orders, or necessary attendance in a court of justice, or when he is temporarily absent from the place for which he is appointed, he may employ a partner or clerk to attend in his name and behalf; such partner or clerk having previously taken an oath, to be filed with the clerk of the county in which such auctioneer shall reside, fully and faithfully to perform the duties incumbent upon him; and which oath must also contain a true statement of the connection that exists between him and the auctioneer. Goods damaged at sea and sold for the benefit of the owners or insurers, shall be sold in the city of New York, under the direction of the wardens of the port.

Every auctioneer who, during his term of office, shall accept an appointment as auctioneer from any other state, or who shall be concerned as principal or partner in selling any goods, wares, merchandise, or effects, in any other state by public auction, or who shall receive any reward, compensation, or benefit, for or on account of any such sale, shall be deemed guilty of a misdemeanor.

No auctioneer in any city of this state can at the same time have more than one house or store, for the purpose of holding his auctions; and every such auctioneer, before he enters on the execution of his office, must designate, in a writing signed by him, such house or store, and also name therein the partner or partners, if any, engaged with him in business, and file such writing with the clerk of the city for which he shall be appointed.

No auctioneer shall expose to sale by public auction any goods or articles liable to auction duties, at any other place than that designated in the writing so deposited by him, except goods sold in original packages as imported, household furniture, and such bulky articles as have usually been sold in warehouses, or in the public streets, or on the wharves.

The common council of each city may designate such place or places, within such city, for the sale by auction of horses, carriages, and household furniture, as they shall deem expedient.

Every auctioneer in the city of New York must, under his own name, give previous notice in one or more of the city newspapers, of every auction sale that may be lawfully made by him; if connected with any person or firm, his name must, in all cases, precede separately and individually the name of such person, or the title of the firm under which he transacts business.

No auctioneer, co-partner, or clerk of an auctioneer, or any other person in the city of New York, shall advertise a sale by auction, in any other manner than as above described, or be concerned in any sale by auction not advertised in such manner.

No auctioneer shall demand or receive more than two and one half per cent. commissions on the amount of any sales, public or private, made by him, unless by a previous agreement in writing, between him and the owner or consignee of the goods sold.

No auctioneer on the day and at the place where his public auction



shall be held, nor any person whatever, on the same day and place, shall sell at private sale any goods liable to auction duties.

When goods are struck off at auction, and the bargain shall not be immediately executed by the payment of the price, on the delivery of the goods, it is the duty of the auctioneer to enter in a sale book, to be kept by him for the purpose, a memorandum of the sale, specifying the nature, quantity, and price of the goods, the terms of sale, and the names of the purchaser, and of the person on whose account the sale is made.

All sales of goods by public auction, in the city of New York, shall be made between sunrise and sunset, excepting books or prints, and goods sold in the original package as imported, according to a printed catalogue, of which samples shall have been opened and exposed to public inspection at least one day previous to the sale.

A conviction of fraudulent practices for ever disqualifies an auctioneer from exercising the rights or pursuing the business of an auctioneer; he shall be deemed guilty of a misdemeanor, punishable by fine, not exceeding five hundred dollars, and imprisonment not exceeding one year, or either, in the discretion of the court. And if after said conviction, he undertakes to act as an auctioneer, he shall be deemed guilty of a misdemeanor for each offence, and punishable as above. And any person who shall transact the business of an auctioneer, without having first complied with the provisions of the law, is punishable in like manner.

The few remaining provisions of the statute in relation to the prosecution for forfeitures, it is not worth while to enumerate. An outline of the statute law has been given, even at the risk of incurring the imputation of prolixity. The general principles of law applicable to the agency of auctioneers, will be discussed hereafter.

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#### ART. VII.—MERCANTILE LAW LITERATURE.

1. *Commentaries on the Law of Agency, as a branch of Commercial and Maritime Jurisprudence, with occasional illustrations from the Civil and Foreign Law.* By JOSEPH STORY, LL. D., Dane Professor of Law in Harvard University. Boston: 1839. Little & Brown.

THE profession, previous to this publication, were in possession of a treatise on the Law of Principal and Agent, by the late Samuel Livermore, a distinguished American lawyer, and of the English work on the same subject, by Paley. The present work is the commencement of a series of commentaries upon the different branches of commercial and maritime jurisprudence, to be prepared in pursuance of the original scheme of the Dane Professorship. It is designed not only for students, but for the profession generally; and being arranged with the method and learning which characterize all the publications of Judge Story, it must entirely supersede all other works upon the same title. It is not our province to criticise so elaborate a work; we can only say, that from the examination we have given it, it will confer increased honor upon its most accomplished and gifted author.

2. *A Treatise on the Law relative to Sales of Personal Property.* By GEORGE LONG, Esq. Second American Edition; with additions by BENJAMIN RAND, Esq. Boston: 1839. Little & Brown.

THE original work of Mr. Long acquired a reputation which rendered it worthy of introduction into the Law School at the University of Cambridge, as a text-book. The first edition being out of print, Mr. Rand, of the Boston bar, was invited to prepare a second, and acceded to the request. Knowing his extensive and profound legal acquirements, which are not surpassed by any lawyer in the United States, it is a source of regret that he considered himself precluded from preparing an original treatise, instead of becoming the editor of an existing work; though as an annotator he stands almost unrivalled for research and industry, as his edition of Powell on mortgages, fully establishes.

The present work treats of the parties to a sale, the disabilities of certain persons to contract, the validity of sales, warranties, the mode of transfer, the rescinding of contracts, and other kindred subjects. They are all treated with ability; wherever the original work was deficient, the editor has supplied the omission by the addition of the principles of the modern cases, in language clear and pertinent. The treatise as improved, will be a valuable acquisition to the public.

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3. *The American Conveyancer.* By GEORGE T. CURTIS, Esq., of the Boston bar. Published by Little & Brown.

THIS is a small volume, containing "a large variety of legal forms and instruments adapted to popular wants and professional use throughout the United States, together with forms and directions for applicants under the Patent Laws of the United States, and the Insolvent Act of Massachusetts." We have examined this manual with some care, and pronounce it a valuable compilation. In many respects it is far preferable to the "elaborate work" of Mr. Oliver. The forms to be observed at the organization of corporations will be found very useful; for serious difficulties frequently arise in suits wherein corporations are parties, in consequence of the imperfect and loose manner in which their organization was effected and recorded. Equally useful are the forms, captions, and returns of depositions, inaccuracy in which is often fraught with loss and disappointment to the party obliged to resort to that species of evidence. The forms used in Massachusetts under the insolvent laws, are numerous and accurate; they alone must render the work almost invaluable to those whose residences may not always admit of their obtaining ready and sound professional advice. Such a work must necessarily have a limited circulation, since much of it is of local value; to a certain degree, however, *the Conveyancer* is calculated for any meridian. It will be found a useful appendage to the counting-room.

## STATISTICS OF MANUFACTURES.

### GREAT BRITAIN.

Cotton, (calicoes, cambric muslins, dimities, lace, gauze, velvets, shawls, &c.) consuming 280,000,000 lbs. per annum, annual value \$162,000,000; employing 800,000 people, and 80,000 power looms; woollen, (cloth, kerseymeres, baize, worsted, flannels, blanketing, carpeting, &c.) annual value about \$96,000,000, employing 500,000 persons; the annual import of raw wool is about 30,000,000 lbs.; metallic ware, annual value of produce \$80,000,000, persons employed 350,000; linen, annual value \$30,000,000, (lace, lawn, cambric, shirtings, sheetings, sail-cloth, &c.) hides, tanned, &c., consuming 42,800,000 lbs., of which about 33,500,000 were imported, annual value produced \$68,000,000, employing 300,000 persons; malt liquor, 9,500,000 bbls., value \$125,000,000; candles, 118,000,000 lbs., value \$16,000,000; soap, 120,000,000 lbs., value \$16,000,000; glass, paper, spirits, starch, &c.

### FRANCE.

The annual value of the manufactures of France is estimated at about \$300,000,000; silk, \$25,000,000; woollen, consuming 100,000,000 lbs., of which 10,000,000 are imported, value \$46,000,000; linen, (lawns, cambric, lace, plain cloths, sail-cloth, &c.) \$36,000,000; cotton, consuming 75,000,000 lbs.; leather, \$30,000,000; trinkets, perfumery, jewellery, furniture, &c., to the value of \$20,000,000 per annum; soap, \$6,600,000; starch and hair powder, \$10,000,000; crystal and glass, \$4,000,000; porcelain and pottery, &c., \$5,000,000.

Dupin makes the following estimate of the comparative commercial and manufacturing power of France and Great Britain:—

	FRANCE. <i>Men Power.</i>	GREAT BRITAIN. <i>Men Power.</i>
Animate Force,.....	6,303,019	7,275,497
Inanimate { Mills and Hydraulic Engines,.....	1,500,000	1,200,000
Force. { Windmills,.....	253,333	240,000
{ Wind and Navigation,.....	3,000,000	12,000,000
{ Steam Engines,.....	480,000	6,400,000
Totals,.....	11,536,352	27,115,497
Add Ireland,.....		1,002,667
Total, United Kingdom,.....		28,118,164

Thus the total inanimate force applied to the arts in France, scarcely exceeds the fourth of that so applied in the United Kingdom; and the whole animate and inanimate power of the latter applied to manufactures and commerce is nearly treble the amount of that of the former.

### PRUSSIA.

Woollen, consuming 25,000,000 lbs., value produced, inclusive of raw material, \$30,000,000; cotton, \$15,000,000; linen, \$9,500,000; silk, 8,500 looms, 35,000 operatives, gross value \$4,500,000; metallic ware, glass, porcelain, leather, trinkets, &c.

### NETHERLANDS AND BELGIUM.

Woollen, \$15,500,000; cotton, \$9,800,000; linen, \$18,000,000; lace, \$5,000,000; refined sugar, \$2,700,000; spirits, \$7,600,000; beer, \$22,000,000; tobacco, \$5,350,000; oil, \$5,600,000; soap, \$2,000,000; leather, 5,350,000; earthenware, \$800,000; books, \$3,000,000; paper, \$1,600,000, &c., in all, \$130,000,000.

## SWITZERLAND.

Watches, jewellery, mathematical and musical instruments, linens and thread, cotton woollen, paper, leather, &c. The cotton manufactures have increased rapidly of late, employing 28,000 hands.

## AUSTRIA.

None of the Austrian dominions can be, strictly speaking, called manufacturing countries, as the want of easy external communication, and the mineral riches of the country, have turned attention more to mining and agriculture; yet the linens of Moravia, Bohemia, and Silesia, the lace of Bohemia and Venice, the glass of Bohemia, the silks of Vienna, Venice, Milan, &c., the fine woollens of Moravia and the Lombardo-Venetian kingdom, the mirrors of Venice and Austria, the cutlery of Stiria, cotton, porcelain, jewellery, musical and philosophical instruments, &c., are important branches of industry.

## DENMARK.

The manufactures of Denmark consist chiefly in working up the flax and wool of the country in a coarse form for domestic use; much of the wool is exported. Distilleries, sugar-refineries, &c., have been patronized by government, but they can hardly support foreign competition.

## SWEDISH MONARCHY.

The manufactures of Sweden are inconsiderable, and those of Norway are of even less importance; and, although fostered by government, they cannot sustain themselves against foreign competition. Pottery, glass, woollens, bar iron, some silk and linen, ships, leather, paper, spirits, &c., are the prominent articles. "Even in the common trades the work is lazily and ill performed, and charged at a high rate; and it is a curious fact, that some great merchants in the western towns send their linen to be washed in London."

## RUSSIA.

The manufactures of Russia, notwithstanding the efforts of government, are in a rude state. The most national are coarse fabrics from hemp and flax, sail-cloth, duck, sheeting, sack-cloth, all of which are supplied of a better quality and at a cheaper rate by Russia than they can be had elsewhere. The encouragement afforded to the distillation of rum from grain has succeeded to such a frightful degree, as not only to exclude foreign spirits, in a great measure, from home consumption, but to enable from 25,000 to 28,000 persons to destroy themselves annually by intemperance; the annual value produced is estimated at \$60,000,000. The patronage of government has also attracted foreign manufacturers, who have established extensive manufactures of iron and arms, and some silk (16,000 looms) and cotton (70,000 looms) manufactories; but these do not supply the internal demand. Coarse woollens, in great quantity, are made by the peasants for family use.

## GERMANY.

The Germans have made great progress in manufactures since the middle of the last century, but the German states (exclusive of the Prussian and Austrian provinces, which constitute more than half of the territory of the empire) do not hold so prominent a place as formerly in manufacturing industry. The Hanse towns formerly clothed the north of Europe, but Great Britain, France, and the Netherlands have for some time not only supplied their own consumption, but partially that of Germany. Even in the linen manufacture, the Irish have in a great measure supplanted the Germans. The linens of Lusatia and Brunswick, the cottons, lace, and woollens of Saxony, the wood-work toys of the Sax-



on duchies and Bavaria, the wax candles of Hanover, the beer of Bavaria and Brunswick, clocks, watches, mirrors, porcelain, mathematical and musical instruments, arms, oil, liqueurs, &c., are among the articles produced.

#### SPAIN.

Although the manufactures of Spain cannot sustain a comparison with those of some of the European states, either in finish or extent, yet they are by no means so insignificant as is sometimes supposed. Fine cloths, but not enough to supply the home consumption, silks, though this branch of industry is decayed, porcelain and mirrors, linens and cottons, paper, arms, barilla, oil, leather, &c., are some of the products of manufacturing industry.

#### PORTUGAL.

The Portuguese artisans are ignorant and unskilful, but they excel in working in gold and silver; cambrics are also well made in some places, but woollens are hardly made except in families for domestic use, the finer fabrics being imported. Some linen, silk, gold lace, leather, pottery, glass, paper, &c., are also produced.

#### ITALIAN STATES.

The Italians, once so distinguished for the variety and elegance of their manufactures, are now much behind the French, Germans, and English; this branch of industry is now every where on the decay in the peninsula, and presents only some specimens, on a small scale, of its former prosperity. The silk manufacture, formerly the great staple, particularly in the form of velvets and damasks, now exists only in some cities. The woollen manufactures of Florence were once extensive, but they are at present few and coarse; paper, leather, muslin, essences, fine soap, artificial flowers, jewellery, straw hats, crystals, glass, mirrors, &c., with mosaics, cameos, casts, alabaster and marble ornaments, &c., are produced in Italy.

#### OTTOMAN EMPIRE.

Manufacturing industry is more advanced in the Asiatic portion of this empire than in the European; the Turkey leather cannot be rivalled in other parts of Europe, and in the dyeing of silk, cotton, and woollen, the artisans of Turkey are not surpassed by any. Silks, cottons, linen, fire-arms, sword-blades, soap, glass, copper utensils, fine carpets and camlets, &c., are produced.

#### PERSIA.

The Persians have much mechanical ingenuity, and have carried some of the arts to a high degree of perfection. They excel particularly in the fabrication of sword-blades, copper utensils, perfumery, jewellery, paper, leather, and pottery, and they produce fine silks, particularly brocade and embroidery, carpets, shawls, and calicoes.

#### HINDOSTAN.

The cotton manufactures of India, although surpassed in some respects by the productions of the European loom, have yet a delicacy, softness, richness, and durability that make them preferred in the east. No less than one hundred and twenty-four different kinds of cotton fabric are produced by the ingenious and industrious Hindoos. Their muslins, calicoes, ginghams, chintzes, taffetas, brocades, and embroidered gauzes, the beautiful shawls of Cashmere and the carpets of Patna, their sword-blades and filigree work, &c., have a high reputation.

#### FURTHER INDIA.

The people of this peninsula have made little progress in the arts of comfort and luxury, and cannot equal the cottons of Hindostan, the silks of China, and the porcelain

of Japan. Yet they excel in gilding, in working in gold and silver, and in the fabrication of a sort of lackered ware, adorned with rich mosaics of mother of pearl.

## CHINA.

The industry and ingenuity of the Chinese in all that relates to the conveniences of life are remarkable; the origin among them, of several arts of comparatively recent date in Europe, is lost in the night of time; they have, from time immemorial, fabricated silks, porcelains, and cottons of great beauty and excellence, worked the precious metals, polished and cut precious stones, excelled in embroidery, dyeing, carving ivory, and making musical instruments; their filagree work, artificial flowers, paper-hangings, paper, lackered ware, &c., are also remarkable.

## UNITED STATES.

Cotton, 795 mills, with 1,246,503 spindles and 33,500 looms, producing annually 200,500,000 yards, of the value of \$26,000,000, consuming 77,758,000 pounds, employing 62,000 persons, 40,000,000 yards are printed; woollen, annual value of manufacture, \$40,000,000, employing 50,000 persons; glass, porcelain, &c., \$3,000,000; paper, \$7,000,000; chemical articles, \$1,000,000; hats and caps, \$11,000,000, employing 18,000 persons; cabinet ware, \$10,000,000; leather, glass, candles, soap, cutlery, fire-arms, sheet-iron, hardware, &c.

## MARINE INSURANCE.

## MINIMUM PREMIUMS.

ADOPTED BY THE BOARD OF UNDERWRITERS OF NEW YORK,  
JANUARY 1, 1840.

FURNISHED FOR THE MERCHANTS' MAGAZINE, BY WALTER R. JONES, SEC. TO THE BOARD

*Risks from Atlantic Ports to Europe.*

	<i>per cent.</i>
On Merchandise and Freights, from an Atlantic port in the United States, to a port in Europe, clearing on and after the 1st October, and before the 15th March, .....	1
Do. do. clearing on and after the 15th March, and before 1st October, .....	$\frac{1}{2}$
On Specie, from an Atlantic port, to a port in Europe, .....	$\frac{1}{2}$

*Risks from Europe to Atlantic Ports.*

On Dry Goods, Hardware, and Fancy Goods, each package subject to separate average, if required, from Havre to an Atlantic port in the United States, .....	1 $\frac{1}{2}$
On Dry Goods, from a port in the Mediterranean to do. ....	1 $\frac{1}{2}$
On Dry Goods, from a port in the United Kingdom of Great Britain to do. ....	1 $\frac{1}{2}$
On Hardware, do. do. ....	2
On risks from do. do. free from particular average, unless it happen by stranding, and amount to five per cent. ....	1
On risks from do. do. from particular average, unless it happen by stranding, and amount to five per cent, and also free from general average, .....	$\frac{1}{2}$
On all other risks from Europe, to an Atlantic port in the United States, specie excepted, .....	1 $\frac{1}{2}$
On Specie from Europe to an Atlantic Port in the United States, .....	$\frac{1}{2}$

*Baltic Risks to and from Cuba and Atlantic Ports.*

On risks from Atlantic ports in the United States to St. Petersburg, ....	1 $\frac{1}{2}$
On risks from Cuba to Gottenburg, and any ports between that port and St. Petersburg, .....	2 $\frac{1}{2}$

	per cent
On risks from St. Petersburg to the United States, sailing prior to August 15th,	1½
Do. do. do. sailing on and after 15th Aug.	
and prior to 15th Sept.....	2
On risks from St. Petersburg to the United States, sailing on and after 15th Sept.	
and prior to 1st Oct.....	3
On risks from St. Petersburg to the United States, sailing on and after 1st Oct.	
and prior to 15th Oct.....	4
On risks from St. Petersburg to the United States, sailing on and after 15th Oct.	6

*European Risks, to and from American Gulf Ports in the United States.*

On risks from Europe, to an American port in the Gulf of Mexico,.....	2
Do. do. free from particular average, unless it happen by stranding, and amount to five per cent, and also free from general average	1 1/2
On Merch. and Freight, from Mobile and N. Orleans, Pensacola, Apalachicola, St. Marks and St. Josephs, to a port in Europe, clearing on and after the 1st of October, and before the 15th of March, .....	1 1/2
Do. do. clearing on and after 15th March, and before 1st October, .....	1 1/4
On Cotton, from Columbus and places below, to Apalachicola and St. Josephs, and thence to Europe,.....	4
Gulf risks, if clearing from the United States, after the 15th of July, and before the 15th of October, an addition of,.....	1/2
For stopping at another port in the United States, on the passage to or from a port in Europe, an additional premium of.....	1/4

*Coastwise and River Risks north of Florida.*

On Cargo, from New York to Darien, and other places not above Macon,.....	
Do. vice versa, less $\frac{1}{2}$ on such part as does not come in boxes and flats,	
On Cargo, from New York to Cheraw,.....	
On Cargo, from New York to Augusta or Fayetteville,.....	
Do. vice versa, less $\frac{1}{2}$ on such part as does not come in boxes and flats,	
If on deck the sea passage, an additional premium of.....	
On Cargo, from Augusta to Savannah, or vice versa, river risk,.....	
On rice, from Savannah, Charleston, Georgetown, Darien or Wilmington, to a northern port,.....	
On other risks	do. do. do. do. do.
On risks from northern ports to Savannah, Charleston, Georgetown, Darien, or Wilmington, except specie,.....	
On Specie, either way.....	
On risks to or from the Delaware, if clearing on and after 1st December and prior to 9th March,.....	
On risks to or from the Delaware, if clearing on and after 9th March, and prior to 1st December,.....	
On risks to or from Norfolk and Portsmouth, or vice versa,.....	
On risks to other places within the Capes of the Chesapeake, if clearing on and after 1st December and prior to 9th March,.....	
On risks to other places within the Capes of the Chesapeake, if clearing on and after 9th March and prior to 1st December,.....	
On risks to or from ports north and east of Cape Cod,.....	
	vice versa.

*Coastwise Risks to and from Ports west of Florida.*

From a northern port to Key West, and at any other place west of that port, and not west of New Orleans, by ships and brigs, against total loss only, or with average,.....	2
Do. do. do. do. by schooners and sloops,.....	2½
On freights and merchandise from New Orleans and Mobile to a northern port in the United States, excepting on sugar, molasses, and tobacco,.....	1½
On sugar, molasses, tobacco, and other articles liable to damage,.....	1½
On sugar and molasses, from a plantation above or below New Orleans to do....	1½
On risks from Key West, and places between that port and Pensacola, inclusive, to a northern port in the United States,.....	1½
Specie out, by ships and brigs, 1 per cent.; back, by do.....	½
Specie out, by sloops and schooners, 1½ per cent.; back, by do.....	1

	per cent.
On risks from a northern port to Franklin, and other places in the vicinity,.....	2½
vice versa,.....	2
Specie either way,.....	1
Specie risks to be charged ¼ per cent additional premium by vessels clearing on and after 15th July, and before the 15th October, and other risks ½ per cent in addition to the above rates, except New Orleans.	

*River Risks west of Florida.*

From Apalachicola and St. Josephs to Columbus, or to any place on the river below Columbus,.....	5
vice versa,.....	2½
From Mobile to places not above Claiborne,.....	½
vice versa,.....	½
From Mobile to places above Claiborne,.....	1
vice versa,.....	½
From New Orleans to places in the vicinity below New Orleans,.....	½
From New Orleans to places on the Mississippi not above Natchez,.....	½
From New Orleans to places on the Mississippi above Natchez and not above Randolph, or to places on the Red River not above Alexandria, or to places on the Black River not above Harrisonburg, or to places on the Arkansas River not above Arkansas,.....	1
From New Orleans to places on the Mississippi River above Randolph and not above Alton, or to places on the Ohio river, or to places on the Red River above Alexandria and not above Natchitoches, or to places on the Tennessee River not above Florence,.....	1½
From New Orleans to places on the Arkansas river above Arkansas, and not above Little Rock,.....	2
From New Orleans to places above Alton, and to places on the Wabash and Illinois Rivers,.....	2
From New Orleans to Huntsville, and places on the Tennessee river above the Muscle Shoals,.....	2
From New Orleans to places on the Arkansas river above Little Rock, and to places on the Red river above Natchitoches,.....	4
On risks from Natchez, and places below it, to New Orleans,.....	¾
On risks from places above Natchez, and not above Randolph, to New Orleans,.....	¾
On risks above Randolph, and not above Alton on the Mississippi, and not above Portsmouth on the Ohio River to New Orleans,.....	1
On risks above Portsmouth on the Ohio River, or above Alton on the Mississippi River, or from places on the Missouri River,.....	1½ to 4
All the above premiums are to be in addition to the premiums for the sea passages, in case the risks are united.	

*Foreign Ports in the Gulf of Mexico.*

On risks from northern ports in the United States to Vera Cruz, quicksilver excepted,.....	2½
Do. do. do. do. on quicksilver,.....	2
vice versa, on goods,.....	1½
do. on specie,.....	1½
On risks from Tampico and other foreign ports in the Gulf of Mexico, to a northern port in the United States, on merchandise,.....	2
vice versa,.....	2½
Do. do. do. do. do. on specie,.....	1½
On risks clearing on and after 10th July, and prior to the 15th October, an additional premium of ¼ per cent. on specie, and ½ per cent. on other risks.	

*West India Risks, and Risks to Ports on the Main.*

On risks from ports in the United States to Curacao, and to all West India ports not to leeward of Porto Rico,.....	1½
vice versa,.....	1½
On specie, either way,.....	¾
On risks from ports in the United States to ports to leeward of Porto Rico, including Jamaica, Cuba, and ports on the Main, north and west of and including Laguaira,.....	1½
vice versa,.....	1½



	per cent.
If from Havana or Matanzas, with special averages, less than the whole shipment, an additional premium of.....	$\frac{1}{4}$
	on specie, $\frac{1}{4}$
On risks clearing after 10th July for or from the West India Islands, on and after the 15th July, and prior to the 5th October, an additional premium is to be charged of $\frac{1}{4}$ per cent on specie, and $\frac{1}{2}$ per cent. on other risks.	

*South American Risks.*

On risks from northern ports in the United States to Rio Grande or Buenos Ayres,.....	2
	vice versa, 2
On risks from northern ports in the United States to Montevideo, .....	$1\frac{1}{2}$
	vice versa, $1\frac{1}{2}$
On risks from northern ports in the United States to other ports in Brazil,.....	$1\frac{1}{2}$
	vice versa, $1\frac{1}{2}$

*Cape Horn and Cape of Good Hope Risks.*

On risks to a port beyond the Cape of Good Hope,.....	$1\frac{1}{2}$
On risks to a port beyond the Cape of Good Hope, with liberty of one or more ports, an addition, outward, of.....	$\frac{1}{4}$
	homeward, $\frac{1}{4}$
	out and home, double rates.
On risks to a port round Cape Horn, if not north of Lima,.....	2
On risks to a port round Cape Horn, if north of Lima,.....	$2\frac{1}{2}$
	out and home, double rates.

On risks on the return passages, the same premiums, except specie,  $\frac{1}{2}$  per cent. less than other merchandise from round Cape Horn.

On risks (excepting whaling risks) to ports round the Cape of Good Hope, 4 per cent. per annum. If to ports round Cape Horn, 4 per cent. per annum. If north of Lima, 5 per cent per annum.

All renewals or extensions to be charged at not less than the new rates.

All risks on deck, treble the under deck premiums.

Risks on cargo by vessels bound round Cape Horn not to be insured in series of less than twenty packages of dry goods, and each description of other goods.

In policies covering two passages, or on out and home risks, the premiums for both the single passages are to be united.

Specie by vessels of war not included in the aforesaid rates.

## CLAUSES AND REGULATIONS

## OF THE NEW YORK INSURANCE COMPANIES.

JANUARY 1, 1840.

*Particular Averages.*

Cotton to be classed in parcels of not less than ten bales each, according to the succession of the marks and numbers in the invoice, and the average shall be allowed on each parcel exclusively, if amounting to five per cent. on such parcel, and not otherwise. The excesses over the parcels of ten bales each to form a separate class, and to be subject to average, if damaged, to the extent of five per cent. on ten bales.

Sugar, not less than fifty boxes, or twenty hogsheads, of successive numbers, as above, if amounting to seven per cent.

Coffee, not less than one hundred bags, if amounting to ten per cent. or twenty hogsheads or fifty barrels, if amounting to five per cent., of successive numbers, as above, or five per cent. on the whole shipment, provided the whole shipment be not less than two hundred bags.

Rice, not less than fifty tierces, of successive numbers, as above.

Tobacco, subject to ten per cent., average, in lots of not less than 10 hogsheads, do.

Tobacco stems, not to be insured subject to a less average than twenty per cent. on the entire lot.

Segars and Indian meal, not to be insured subject to a less average than ten per cent. on the entire lot.

Russia duck, diapers, burlaps, and ticklenburgs, if from Europe, ten per cent. on the entire lot, and average 10 per cent.  
Grain, coastwise, do. 10 per cent.

*On Cargo to Marseilles.*

Sugar, coffee, rice, cocoa, pepper, and pimento, warranted free from particular average, if the property is discharged at the port of Marseilles.

*Voyages beyond the Cape of Good Hope.*

Silks and other dry goods to be classed in parcels of not less than ten packages each, according to the succession of the marks and numbers in the invoice; and each kind of teas to be considered as one class, and to be subject to average, as if separately insured, on such of the classes as may amount to five per cent., and not otherwise.

Cassia (except in boxes) and floor matting, if insured separately from other cargo, to be free of average under twenty per cent. on the entire lot.

Warranted free from loss or expense by capture, seizure, or detention by the Chinese, and also free from loss by blockade; but if turned off, the ship to proceed to a near open port.

*General Regulations.*

If goods are designated by different marks, without being numbered successively, and the average of the marks do not fall below the quantity on which partial loss is allowed as above, each mark may be separately insured.

Policies terminating outwards, with a return premium—and policies with a return premium, for ports not used—and policies on time—to have the words added after the return of premium—"no loss being claimed."

In policies on time, with liberty to extend the same—such extension to be for a definite time, instead of stipulating to bring the vessel into port under the original agreement. A return premium, however, to be allowed for each entire month of the extended time not used—no loss being claimed.

No conditional liberties shall be stipulated for, unless the premium thereon is paid or secured at the time the risk is taken.

No fire risk on shore to be taken prior to the inception of the marine risk, except at a premium of  $\frac{1}{2}$  per cent.

Damaged goods to be sold on the same credit as the sound; or if sold for cash, the appraisalment of sound value to be for cash, and certificates of the sound value and of damages to be under oath.

In cases of total loss, affidavits to be required as to other insurances, and in cases of claims for returns of premiums exceeding the sum of twenty dollars, an affidavit to be required stating the fact on which the claim is founded.

No damage to be allowed for goods injured by spots, without evidence of actual contact with sea water.

RATES OF PREMIUMS ON LAKE RISKS.

January 1, 1840.

DESTINATION.	BY STEAMBOATS.			BY SAILING VESLS.		
	From the commence- ment of the season, and prior to the 1st of September.	From the 1st of Sept. inclusive, to the 1st of October.	From the 1st of Oct. inclusive, to the end of the season.	From the commence- ment of the season, to the 31st of Aug. inclusive.	All risks leaving in the month of Sep- tember.	From the 1st of Octo- ber inclusive, to the end of the season.
From BUFFALO to places on LAKE ERIE, { not west of CLEVELAND,.....	$\frac{2}{3}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{2}{3}$	$\frac{1}{2}$	1
From do. to do. not west of DETROIT,.....	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$	1	1
From BUFFALO to places beyond DE- TROIT, and not south of the south end of GREEN BAY,.....	1	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	$1\frac{1}{2}$	2
From BUFFALO to CHICAGO,.....	$1\frac{1}{2}$	$1\frac{1}{2}$	2	2	$2\frac{1}{2}$	3
From do. to other places on LAKE MICH- GAN, south of GREEN BAY,.....	2	$2\frac{1}{2}$	3	$2\frac{1}{2}$	3	$3\frac{1}{2}$

Goods on deck not covered by the policy unless an additional premium thereon is paid.

If the risks commence at New York,  $\frac{1}{2}$  per cent. to be added to the above rates.

If they go via Lake Ontario,  $\frac{1}{2}$  per cent to be added to the above rates.

The above dates to be calculated from leaving the shipping port on the Lakes.

Seven days to be allowed from the day of leaving New York, to reach the shipping place on the Lake.

## INLAND RISKS.

		From opening to 1st of Sept.
From New York to Providence, }	.....	$\frac{1}{2}$
" " Boston, }	.....	$\frac{1}{2}$
" " New Haven, }	.....	$\frac{1}{2}$
" " places on the North River above the Highlands,	.....	$\frac{1}{2}$
" " Buffalo, via Erie Canal,.....	.....	$\frac{1}{2}$
" " Philadelphia,.....	.....	$\frac{1}{2}$
" " Pittsburg,.....	.....	$\frac{1}{2}$
" " Wheeling, .....	.....	$\frac{1}{2}$
" " Cincinnati,.....	.....	1
" " Louisville,.....	.....	1 $\frac{1}{2}$
" " Memphis,.....	.....	1 $\frac{1}{2}$
" " Vicksburg,.....	.....	1 $\frac{1}{2}$
" " Natchez,.....	.....	2
" " New Orleans,.....	.....	2 $\frac{1}{2}$
" " St. Louis,.....	.....	1 $\frac{1}{2}$
" " Galena, via Pittsburg,.....	.....	2 $\frac{1}{2}$
" " Terra Haute, on the Wabash,.....	.....	1 $\frac{1}{2}$
" " Peoria, on the Illinois,.....	.....	2
" " Tuscombina,.....	.....	1 $\frac{1}{2}$
" " places over the Muscle Shoals,.....	.....	2 $\frac{1}{2}$
From Pittsburg to Galena,.....	.....	2
" " St. Louis to Independence, Mo.....	.....	1 $\frac{1}{2}$
" " New York to do. via Pittsburg,.....	.....	3 $\frac{1}{2}$

## TARIFF OF PREMIUMS,

ADOPTED BY THE BOSTON INSURANCE COMPANIES.

SEPTEMBER 11, 1839.

FURNISHED FOR THE MERCHANTS' MAGAZINE BY JOSEPH BALCH, ESQ., PRES. MER. INS. CO.

*From Boston to Ports and Places on the Lakes and Western Rivers, via Albany and Buffalo.*

LEAVING BOSTON BETWEEN APRIL 1 AND NOVEMBER 1.

LEAVING BUFFALO BEFORE.....	BY STEAMBOAT.			BY SAILING VESSELS.		
	1st Sep.	1st Oct.	After.	1st Sep.	1st Oct.	After.
To Cleveland, Ohio,.....	1	1 $\frac{1}{2}$	1 $\frac{3}{4}$	1 $\frac{1}{2}$	1 $\frac{3}{4}$	1 $\frac{5}{8}$
To Detroit,.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$	1 $\frac{3}{4}$	1 $\frac{3}{4}$	1 $\frac{3}{4}$	1 $\frac{5}{8}$
To Green Bay,.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$	2 $\frac{1}{4}$	2 $\frac{1}{4}$	2 $\frac{1}{4}$	2 $\frac{3}{8}$
To Chicago,.....	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{3}{4}$	2 $\frac{3}{4}$	3 $\frac{1}{4}$	3 $\frac{3}{8}$
To Michigan City,.....	3 $\frac{1}{2}$	3 $\frac{1}{2}$	4 $\frac{1}{2}$	3 $\frac{3}{4}$	4 $\frac{1}{4}$	4 $\frac{3}{8}$
To other Ports south of Green Bay, on Lake Michigan,.....	2 $\frac{3}{4}$	3 $\frac{1}{4}$	3 $\frac{3}{4}$	3 $\frac{1}{4}$	3 $\frac{3}{4}$	4 $\frac{1}{8}$
To Cincinnati, Ohio,.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$	1 $\frac{3}{4}$	1 $\frac{1}{2}$	2 $\frac{1}{4}$	2 $\frac{3}{8}$
To Louisville, Ky.....	1 $\frac{1}{2}$	1 $\frac{1}{2}$	2	1 $\frac{1}{2}$	2 $\frac{1}{4}$	2 $\frac{3}{8}$

$\frac{1}{4}$  per cent to be added to the above rates on vessels leaving Boston between 1st November and 1st April.

N. B.— $\frac{1}{2}$  to  $\frac{1}{4}$  should be added to winter risks for hazard of ice in the Ohio

*To Western Ports and Places, via Philadelphia and Pittsburg, and via Baltimore and Wheeling.*

LEAVING BOSTON BETWEEN APRIL 1 AND NOVEMBER 1.

<i>Via Philadelphia, Railroad, Canals, Pittsburg, &amp;c.</i>		<i>Via Baltimore, by National Road, Wheeling, &amp;c.</i>	
To Philadelphia,.....	$\frac{3}{4}$	To Baltimore,.....	$\frac{3}{4}$
To Pittsburg,.....	$\frac{3}{4}$	To Wheeling,.....	$\frac{3}{4}$
To Cincinnati,.....	$1\frac{1}{2}$	To Cincinnati,.....	1
To Louisville,.....	$1\frac{1}{2}$	To Louisville,.....	$1\frac{1}{2}$
To St. Louis,.....	2	To St. Louis,.....	$1\frac{1}{2}$

$\frac{3}{4}$  to be added to the above rates on vessels leaving Boston between 1st November and 1st April, on risks to Philadelphia and Pittsburg.

N. B.— $\frac{1}{2}$  to  $\frac{1}{4}$  per cent. should be added to winter risks, for hazard of ice in the Ohio.

*To and from places on the Southern and Western Rivers in the United States.*

MISSISSIPPI AND TRIBUTARIES.

<i>On the Mississippi River.</i>		<i>Out.</i>	<i>Home.</i>
From Boston to New Orleans,.....		1 1.2	1 1.2
" to places between New Orleans and Red River,.....		1 3.4	1 2.3
" " Red River and Vicksburg, including V...2			1 5.6
" " Vicksburg and Arkansas River,.....2	1.4	2	
" " Arkansas River and Randolph, incl'ng R...2	1.2	2 1.6	
" " Randolph and the Ohio River,.....2	3.4	2 1.3	
" " the Ohio and Illinois Rivers,.....3		2 1.2	
" " Illinois River & Warsaw, including W...3	1.4	2 2.3	
" " Warsaw and Ouisconsin River,.....4		3 1.6	
" to places on and above the Ouisconsin, not less than.....4		3 1.6	

Half per cent. to be added on vessels leaving Boston or New Orleans in August, September, or October.

A deduction of a quarter per cent. may be made on each passage to or from the Gulf of Mexico, on cotton, metals, and salted provisions in casks.

*Table of Places on the Mississippi, classed according to the above arrangement, with the Distances from New Orleans and Rate of Premium.*

<i>Above New Orleans to Red River.</i>	<i>Nov. 1 to Aug. 1.</i>	<i>Above Randolph to Ohio River.</i>	<i>Nov. 1 to Aug. 1.</i>
83 Donaldsonville,.....	$1\frac{1}{2}$		$2\frac{1}{4}$
140 Baton Rouge,.....	$1\frac{1}{2}$		
176 Bayou Sara,.....	$1\frac{1}{2}$		
St. Francisville,.....	$1\frac{1}{2}$		
<i>Above Red River, to and including Vicksburg.</i>		1199 Kaskaskia,.....	3
		1250 St. Louis,.....	3
		1274 Alton,.....	3
297 Natchez,.....	2		
396 Grand Gulf,.....	2	<i>Above the Illinois, to and including Warsaw.</i>	
412 Vicksburg,.....	2		
<i>Above Vicksburg to Arkansas River.</i>		1430 Quincy,.....	$3\frac{1}{4}$
		1470 Warsaw,.....	$3\frac{1}{4}$
487 Princeton,.....	$2\frac{1}{4}$	<i>Above Warsaw to the Ouisconsin.</i>	
<i>Above Arkansas River, to and including Randolph.</i>			
		1510 Burlington,.....	4
815 Memphis,.....	$2\frac{1}{2}$	1617 Rock Island, foot of Rapids,.....	4
883 Randolph,.....	$2\frac{1}{2}$	1725 Galena,.....	4
		1815 Prairie du Chien,.....	4

Half per cent. to be added on vessels leaving Boston or New Orleans in August, September, or October.



		<i>On Red River.</i>	<i>Out.</i>	<i>Home.</i>
From Boston to places not above Alexandria,	.....	2 1.2	2 1.6	
" " beyond Alexandria and not beyond Natchitoches,	.....	2 3.4	2 1.3	
" " beyond Natchitoches, not less than,	.....	3	2 1.2	
<i>On the Ouchita or Black River, falling into Red River.</i>				
From Boston to places not above Harrisonburg,	.....	2 1.2	2 1.6	
" " beyond Harrisonburg not less than,	.....	3	2 1.2	
<i>On Arkansas River.</i>				
From Boston to places not above Arkansas,	.....	2 1.2	2 1.6	
" beyond, and not above Little Rock,	.....	3 1.2	2 5.6	
" beyond, and not above Fort Gibson, (Mo. Ter.)	.....	5 1.2	4 1.6	
" beyond Fort Gibson, not less than,	.....	6	4 1.2	
<i>On the Ohio River.</i>				
From Boston to Trinity, Ill.,	.....	2 3.4	2 1.3	
" to places beyond, as high as Louisville,	.....	2 7.8	2 5.1.2	
" " Cincinnati,	.....	3	2 1.2	
" " Portsmouth,	.....	3 1.8	2 7.12	
" " Gallipolis,	.....	3 1.4	2 2.3	
" " Wheeling,	.....	3 3.8	2 3.4	
" " Pittsburg,	.....	3 1.2	2 5.6	
" to places beyond Pittsburg, not less than,	.....	3 1.2	2 5.6	
<i>On Tennessee River, falling into the Ohio.</i>				
From Boston to Florence or Tuscumbia,	.....	3	2 1.2	
" to Muscle Shoals, and beyond,	.....	3 1.2	2 5.6	
<i>On Cumberland River, falling into the Ohio.</i>				
From Boston to Nashville,	.....	3	2 1.2	
Half per cent. to be added on vessels leaving Boston or New Orleans in August, September, or October.				
<i>On the Kentucky River, falling into the Ohio.</i>				
On Kentucky River,	.....	3 1.4	2 2.3	
<i>On the Wabash, falling into the Ohio.</i>				
From Boston to Mount Carmel, (mouth of White River,)	.....	3	2 1.2	
" to Lafayette, Terre Haute, Covington, &c.,	.....	3 1.4	2 2.3	
" to places beyond, not less than,	.....	3 1.2	2 5.6	
<i>On White River, falling into the Wabash.</i>				
On White River,	.....	3 1.2	2 5.6	
<i>On the Missouri.</i>				
From Boston to Booneville,	.....	5	3 5.6	
" to Lexington,	.....	6	4 1.2	
" to Liberty,	.....	6 1.4	4 2.3	
" to Independence,	.....	6 1.2	4 5.6	
" to Council Bluffs,	.....			
<i>On the Illinois River.</i>				
From Boston to Peoria,	.....	3 1.2	2 5.6	
<i>On Rock River.</i>				
On Rock River,	.....	4	3 1.6	
<i>On Ouiskonsin River.</i>				
On the Ouiskonsin River,	.....	4 1.2	3 1.2	
N. B.—A deduction of a quarter per cent. may be made on each passage, to and from ports in the Gulf of Mexico, on cotton, metals, and salted provisions in casks.				
Half per cent. to be added on vessels leaving Boston or New Orleans in August, September, or October.				
<i>To or from Places on the Alabama River and Tributaries.</i>				
		<i>Out.</i>	<i>Home.</i>	
From Boston to Claiborne, on the Alabama,	.....	2	1 5.6	
" to places on said river beyond Claiborne,	.....	2 1.2	2 1.6	
" to Montgomery, on the Talapoosa,	.....	2 3.4	2 1.3	
<i>To Places on the Tombecbee and Black Warrior Rivers.</i>				
From Boston to St. Stephens,	.....	2	1 5.6	
" to Demopolis,	.....	2 1.4	2	
" to Erie or Gainsville,	.....	2 1.2	2 1.6	
" to Tuscaloosa,	.....	2 3.4	2 1.3	

	Out.	Home.
From Boston to Columbus, Miss.....	3	2 1 2
"    to Cotton Gin Port,.....	3 1 2	2 5 6

N. B.—A deduction of a quarter per cent. may be made on each passage, to or from ports in the Gulf of Mexico, on cotton, metals, and salted provisions in casks.

Half per cent. to be added on vessels leaving their ports of loading in August, September, or October.

*On Southern and Western Rivers not previously enumerated.*

<i>Apalachicola River and Tributaries.</i>	Out.	Home.
From Boston to Columbus, Geo., on the Chattahoochee,.....	3 to 5	2½ to 5

N. B.—A deduction of a quarter per cent. may be made on each passage, to or from ports in the Gulf of Mexico, on cotton, metals, and salted provisions in casks.

Half per cent. to be added on vessels leaving their ports of loading in August, September, or October.

<i>Altamaha River.</i>	Out.	Home.
From Boston to Macon,.....	1½ to 2½	1½ to 2

N. B.—A deduction of a quarter per cent. may be made on cotton, metals, and salted provisions in casks.

A quarter per cent. to be added on vessels leaving their ports of loading in August, September, or October.

RATES OF INSURANCE IN CANTON ON FIRST CLASS VESSELS.

PORTS.	Black and Goods.	Tyse and Copper.
Bombay, Ceylon, Madras, Calcutta, Rangoon, Mauritius, avoiding the hurricane months, Austral Asia,.....	2½ per cent.	2 per cent.
Singapore,.....	1 ...	½ ...
Manilla,.....	1 ...	½ ...
Malacca, Penang, or Batavia,.....	1½ ...	1 ...
Great Britain or France—one port,.....	2½ ...	2 ...
United States of America—one port,.....	2½ ...	2 ...
Holland or Hamburg,.....	3 ...	2½ ...
Spain or Portugal,.....	3 ...	2½ ...
East Coast of British North America,.....	2½ ...	2 ...
Ports in the River St. Lawrence,.....	3 ...	2½ ...
Brazil,.....	2½ ...	2 ...
River Plate,.....	3½ ...	3 ...
Windward and Leeward Islands, Berbice, Demerara,.....	2½ ...	2 ...
Jamaica and St. Domingo,.....	3 ...	2½ ...
Spanish Main, Honduras, Mosquito Shore,.....	4 ...	3½ ...
Touching at the Cape of Good Hope between 1st May and 1st September, ½ per cent. additional.		
Touching at Singapore, Manilla, or Java, ½ per cent. additional.		
For every additional port of discharge, ½ per cent. additional.		
To a port in Chili, except Coquimbo, warranted not to arrive on the Coast between the 20th May and 20th September,...	3 ...	2½ ...
To arrive within those dates,.....	4½ ...	4 ...
To Coquimbo and Peru,.....	3 ...	2½ ...
For every additional port touched at, ½ per cent. additional.		
To Mexico and the West Coast,.....	3 ...	2½ ...
From the West Coast of North and South America to China, warranted not to leave the Coast of Chili, except Coquimbo, between the 20th May and 20th September,.....	2½ ...	2 ...
If to leave the Coast of Chili, except Coquimbo, between those dates,.....	4 ...	3½ ...
To or from the Sandwich Islands,.....	2½ ...	2 ...
Risks at Lintin, ½ per cent. per month.		
On the East Coast of China, 1 per cent. per month.		

## FIRE INSURANCE.

*A Table of the Liabilities of the Insurance Companies on the fire in Cedar street, on the night of the 14th December, 1839, and the amount of capital of each Company sustaining a loss.*

NAMES OF COMPANIES.	Losses.	Capital of Cos.	NAMES OF COMPANIES.	Losses.	Capital of Cos.
Jefferson,.....	\$12,000	\$200,000	Howard,.....	\$30,000	300,000
Mutual,.....	10,000	350,000	United States,.....	11,000	250,000
City,.....	10,000	210,000	Safety,.....	15,000	Unlimited
Eagle,.....	20,000	500,000	New York,.....	15,000	200,000
Merchants',.....	25,000	500,000	Guardian,.....	10,000	300,000
Manhattan,.....	25,000	350,000	North River,.....	10,000	350,000
Equitable,.....	12,000	300,000			
Ætina,.....	15,000	200,000		358,000	6,062,000
Brooklyn,.....	5,000	102,000	American, Boston,.....	15,000	
Contributionship,.....	15,000	300,000	Merchants', Boston,...	15,000	
Williamsburg,.....	5,000	150,000	Manufacturers', Boston	10,000	
North American,.....	5,000	250,000	Hartford, Conn.,.....	10,000	
Georgia,.....	25,000	.....	Protection, Conn.,.....	5,000	
Globe,.....	20,000	500,000			
Greenwich,.....	8,000	200,000		413,000	
East River,.....	30,000	250,000	In London,.....	50,000	
Firemen's,.....	25,000	300,000		463,000	

## INCREASE OF PREMIUMS.

At a meeting of officers of Fire Insurance Companies, held the 16th inst., it was unanimously resolved, to increase the rate of premiums on all stores and merchandise to the extent of 25 per cent. when the building is forty feet high, or under; 33½ per cent. when the building is over forty feet and not over fifty; and 50 per cent. when the building is over fifty feet high.

## BANK STATISTICS.

## THE BANK OF AMSTERDAM.

This bank was established as early as the year 1609, when the United Provinces had concluded an armistice with Spain. The object of its establishment was purely commercial, and not auxiliary to the Government of the Federated Provinces.

Amsterdam at this period was a vast mart of commerce, and a port of intrepot: it was a constant fair, where people of all climes assembled, and the products of lands exchanged. This great commerce brought to Amsterdam coins of all the countries of Europe, often much used, which reduced the value of this money in circulation nine per cent. below the value of the coinage. The moment this new coinage appeared, it was bought up and melted, or exported. Merchants, in this state of things, were unable to procure a sufficient quantity to meet the demands of bills of exchange, which consequently were subject to very variable rates.

To remedy this inconvenience, and to fix permanently the value of the current money of the country, the merchants of Amsterdam established a bank upon the plan of that of Venice. All coins foreign and domestic, old and new, were received by the bank at their intrinsic value. The money thus deposited in the bank was repaid in good money of the country, after deducting the expenses of coining, and some small charge for the administration of the bank. The amount remaining, after this small deduction, was placed as a credit upon the books of the bank, and was called bank money. All bills of exchange were thus negotiated for bank money.

The bank professed never to lend any portion of its funds in deposit. For every florin credited upon its books, there was a florin of coin in the vaults of the bank.—Every depositor was at liberty to withdraw at any moment the amount in coin, which stood to his credit upon the books of the bank. Such was the fidelity of the bank to its engagements, that when Louis XIV. invaded Holland in 1672, the greater part of its creditors demanded their deposits and received them without embarrassment or delay

One hundred and fifty years after its establishment, the bank, contrary to its original purposes, consented to make advances to the East India Company. At the period of the French invasion, more than forty years ago, the directors of the bank were compelled to acknowledge that it had lent at different times, in the course of fifty years, to the East India Company, and to the Provinces of Holland and West Frise, and to the city of Amsterdam, more than 10,000,000 of florins, or five millions of dollars. Thus, whilst the books of the bank were regularly balanced, there existed this deficit in its vaults. It was no longer able to meet its engagements; and the declaration was equivalent to a bankruptcy. Accordingly bank money, which until then bore an agio of five per cent. (a premium to that moment) in its favor, suffered a reduction of 16 per cent. below the current money of the country.

The amount at any time in the vaults of this bank has been matter of public curiosity. The celebrated banker, Mr. Hope, estimates it at 33,000,000 of florins, or 15,000,000 of dollars in round numbers.

The city of Amsterdam derives a considerable revenue from the bank. Every person on opening an account with it pays ten florins, and for every new account, three florins. For every transfer of credit upon the books, two stivers are paid, and if the sum be under three hundred florins six stivers are charged. Besides that charged for the deposit of ingots, which yielded an annual revenue of 200,000 florins.

## BANKS OF NEW YORK.

*Aggregate Statement of all the chartered Banks of the State of New York, distinguishing between those located in the city of New York, and elsewhere, January 1, 1839, from official documents.*

## RESOURCES.

	<i>Twenty two New York City Banks.</i>	<i>Twenty-eight Long Island &amp; North Ri- ver Banks.</i>	<i>Forty-six country B'ks &amp; two bran- ches.</i>	<i>Total.</i>
Loans and Discounts,.....	\$35,947,375	\$14,876,763	\$17,476,348	\$68,300,486
Real Estate,.....	1,385,130	506,276	666,249	2,557,655
Stocks,.....	776,207	127,469	7,947	911,623
Overdrafts,.....	119,945	35,470	27,703	183,118
Personal Estate,.....	4,481	11,521	13,782	29,784
Expenses,.....	92,416	63,594	86,672	242,682
Bank Fund,.....	404,961	138,906	196,350	740,217
Specie,.....	5,008,353	727,962	866,393	6,602,708
Notes of oth. solvent banks,	2,235,260	829,103	842,774	3,907,137
Checks and oth. cash items,	2,207,171	509,457	122,066	2,838,694
Due from other Banks,.....	7,665,543	2,752,746	3,704,651	14,122,940
Other Investments,.....	41,356	145,187	.. ..	186,543
				<b>\$100,623,587</b>

## LIABILITIES.

Capital,.....	20,161,200	7,285,260	9,355,000	36,801,460
Circulation,.....	5,494,243	5,201,567	8,677,339	19,373,149
Loans on Time,.....	392,111	100,000	.....	492,111
Profits,.....	3,200,734	1,373,287	1,573,215	6,147,236
Deposits on Debts,.....	54,647	40,337	180,796	275,780
Dividends unpaid,.....	393,727	52,499	81,770	527,996
Due Canal Fund,.....	1,890,318	625,815	775,580	3,291,713
Deposits,.....	13,200,713	2,861,166	2,308,165	18,370,044
Due oth. b'ks & corp'rations,	11,100,505	3,184,523	1,059,070	15,344,098
				<b>\$100,623,587</b>



## THE INDEPENDENT TREASURY.

*SYNOPSIS of a bill to impose duties as depositaries upon certain public officers, to appoint receivers general of public money, and to regulate the safe keeping, transfer and disbursement of the public moneys of the United States.*

Section 1. Rooms, vaults and safes to be provided at the seat of government, for keeping the public moneys under the control of the Treasurer of the United States, and declared to be the Treasury of the United States.

Sec. 2. The Mint of the United States, at Philadelphia, and the Branch Mint at New Orleans to be places of deposit of the public moneys, under the custody of the treasurers of said Mint and Branch Mint.

Sec. 3. Rooms, vaults and safes to be provided within the custom-houses in New-York and Boston, for keeping the public moneys under the custody of receivers general.

Sec. 4. Offices, with rooms, vaults and safes, to be erected at Charleston and St. Louis for keeping the public moneys under the custody of receivers general.

Sec. 5. The President and Senate to appoint four receivers general of public moneys to hold their offices four years.

Sec. 6. The public moneys to be kept safely, without loaning, or using, by all officers having them in custody, who are to act as fiscal agents, and perform all duties required by law as such agents.

Sec. 7. Treasurers and receivers general to give bonds with sureties.

Sec. 8. Other depositaries of the public moneys to give bonds with sureties.

Sec. 9. All collectors and receivers of public money to pay over moneys in their hands to treasurers and receivers general, at least once a month.

Sec. 10. The Secretary of the Treasury may transfer the public moneys from the hands of any depositary, as their safety or the public convenience may require.

Sec. 11. The moneys in the hands of depositaries to be held as deposited to the credit of the Treasurer of the United States, subject to his draft; depositaries to make returns.

Sec. 12. When moneys accumulate in the hands of certain depositaries, they may in certain cases be specially deposited in banks, in the states where such depositaries are located.

Sec. 13. The special deposits authorized by the last section, shall be on the following conditions:—1st. They are not to be used by the banks for loans or discounts; and safes may be provided, or other guards adopted to secure their safe-keeping. 2d. Nothing but gold or silver, or notes, bills, or paper issued under the authority of the United States, to be so deposited. 3d. Such moneys to be passed to the credit of the depositary, but not to be withdrawn without the order of the Secretary of the Treasury. 4th. The banks receiving such deposits to be allowed a commission not exceeding one eighth of one per cent. on the money deposited.

Sec. 14. Where no bank in the state where depositaries are located, will receive moneys as provided for by the foregoing conditions and regulations, the Secretary of the Treasury may select a bank in an adjoining state, or transfer the moneys to the Treasury of the United States, the Mint, Branch Mints, or the offices of receiving general.

Sec. 15. Special agents may be appointed to examine the books, accounts and money on hand of depositaries.

Sec. 16. Farther examinations to be made by certain officers at the close of each quarter of the year, and as much more frequently as the Secretary of the Treasury shall direct, of the books, accounts, returns and moneys on hand of depositaries.

Sec. 17. Certain necessary expenses of the officers receiving, keeping, and disbursing the public moneys to be paid, when authorized by the Secretary of the Treasury.

Sec. 18. Balances in the hands of present depositaries to be drawn with as much promptitude as convenient.

Sec. 19. Persons having public money to pay to the United States, may pay to the Treasury of the United States, at the Treasury, the Mints, receivers general, &c.

Sec. 20. Officers charged with the safe keeping of the public moneys to make entries of receipts, &c., and any such officer, converting to his use, in any way, or investing or loaning such money, to be subject to a fine and imprisonment.

Sec. 21. Until rooms, offices, vaults, and safes can be constructed and prepared, for certain depositaries, the Secretary of the Treasury to procure suitable rooms, and contract for the use of the vaults and safes of banks for the safe keeping of the public moneys.

Sec. 22. No general order to be made by the Secretary of the Treasury creating a difference between different branches of revenue, as to the funds in which debts to the United States are to be paid.

Sec. 23. The Secretary of the Treasury to publish regulations to enforce the speedy presentation of government drafts for payment.

Sec. 24. Salaries of the receivers general fixed, and the said receivers are prohibited from charging or receiving any other compensation for any official service, under pain of fine and imprisonment.

Sec. 25. The Treasurer of the United States, authorized to receive payments in advance for public lands and receipt for the same; said receipts to be taken at the land offices as cash, but not to be transferable.

Sec. 26. Ten thousand dollars appropriated for constructing offices and purchasing sites therefor.

Sec. 27. A sufficient sum appropriated for expenses other than those before provided for.

## COMMERCIAL STATISTICS.

### CANAL COMMERCE OF OHIO.

The following statistical tables will enable our readers to judge with accuracy of the amount of business transacted at Cleveland, Ohio. It presents a more full comparative statement of the canal business at that point, in different years, than any heretofore published. We are indebted to N. C. Winslow, Esq., for the documents from which these tables are compiled.

Receipts of Wheat and Flour and clearances of Merchandise at Cleveland, 1839.

	<i>Wheat.</i>	<i>Flour.</i>	<i>Mdse.</i>
April,.....	98,734 bush.	22,524 bbls.	261,496 lbs.
May,.....	270,470	63,066	2,879,763
June,.....	206,080	44,704	2,668,577
July,.....	58,147	13,778	1,280,625
August,.....	63,311	11,756	2,597,991
September,.....	306,763	28,283	3,044,246
October,.....	377,115	46,448	3,580,347
November,.....	135,180	34,283	1,116,511
	1,515,800	264,842	17,429,556

Cleared, 1839—Salt, Gypsum, Fish.

	<i>Salt.</i>	<i>Gypsum.</i>	<i>Fish.</i>
April,.....	767 bbls.	442,075 lbs.	1,550 bbls.
May,.....	8,711	294,932	1,933
June,.....	14,494	123,239	2,001
July,.....	13,696	125,337	1,090
August,.....	14,349	28,763	538
September,.....	15,696	261,395	701
October,.....	24,548	496,198	571
November,.....	17,582	667,200	444
	109,843	2,439,139	8,828

Property on which toll is charged by weight and tolls.

	<i>Arrived.</i>	<i>Cleared.</i>	<i>Tolls.</i>
April,.....	15,426,614 lbs.	2,368,120 lbs.	\$4,484 57½
May,.....	38,616,573	8,761,521	19,057 36½
June,.....	31,216,818	8,614,606	20,159 13
July,.....	11,483,336	6,742,415	14,824 65
August,.....	8,556,011	7,980,786	18,833 83½
September,.....	26,944,626	9,068,881	20,331 56½
October,.....	34,079,607	12,052,856	25,553 46
November,.....	18,426,962	8,144,071	13,346 62
	134,750,547	63,733,256	137,091 20

The aggregates of sundry articles received and cleared at Cleveland the past three years are thus exhibited :

Wheat and Flour received at Cleveland by Canal to Dec. 1, for the years stated.

<i>Received.</i>	1837.	1838.	1839.
Wheat, bushels,	548,206	1,228,521	1,515,800
Flour, barrels,	202,957	282,745	264,842
<i>Cleared.</i>			
Salt, bbls.	62,857	62,838	109,843
Lake Fish, bbls.	6,026	7,282	8,828
Gypsum, lbs.	1,452,570	1,841,488	2,439,139
Merchandise,*	8,868,887	16,946,453	17,429,556

Reducing the wheat to its equivalent in flour, viz. five bushels per barrel, and we have the following comparison of the receipts of those articles :

<i>Aggregates to Dec. 1,</i>	1837.	1838.	1839.
Flour, bbls.	202,957	282,745	264,842
Wheat,	109,641	245,704	303,160
Totals,	312,598	528,449	568,002

\* This amount is for the entire year 1837, and may probably include some Merchandise cleared after December 1st.

### *A Table of Duties on Flour, graduated by the Price of Sacks of Flour and Quarters of Wheat.*

#### TABLE OF DUTIES.

A sack of flour weighs 240 pounds, a barrel of American flour 196 pounds ; consequently, a barrel of flour is seven tenths of a sack by weight. The relative value is as follows :

#### A sack of flour

At 70s. equals a barrel at.....	49s. 0d.
At 68s. " " .....	47s. 6d.
At 66s. " " .....	46s. 3d.
At 64s. " " .....	44s. 9d.
At 62s. " " .....	43s. 5d.
At 60s. " " .....	42s. 0d.
At 58s. " " .....	40s. 5d.
At 56s. " " .....	39s. 8d.
At 54s. " " .....	37s. 9d.
At 52s. " " .....	36s. 6d.
At 50s. " " .....	35s. 0d.

#### *Duty upon a Quarter of Wheat.* (Eight Bushels.)

#### *Relative Duty upon a Barrel of American Flour.*

At 73s. average.....	1s. 0d.....	0s. 7½d.
At 72s. " .....	2s. 8d.....	1s. 7½d.
At 71s. " .....	6s. 8d.....	4s. 0½d.
At 70s. " .....	10s. 8d.....	6s. 5d.
At 69s. " .....	13s. 8d.....	8s. 2d.
At 68s. " .....	16s. 8d.....	10s. 0½d.
At 67s. " .....	18s. 8d.....	11s. 2½d.
At 66s. " .....	20s. 8d.....	12s. 5½d.
At 65s. " .....	21s. 8d.....	13s. 0½d.
At 64s. " .....	22s. 8d.....	13s. 7½d.

## MERCANTILE LIBRARY ASSOCIATION.

The annual election for officers of this important Institution, comprising a President, Vice President, Secretary, Treasurer, and eight Directors, will take place on Wednesday the 15th inst.

Elijah Ward, Esq., we regret to state, has declined being considered a candidate for re-election to the Presidency, an office which he has filled with so much honor to himself and credit to the Association. Our intercourse with this gentleman, has been of such a nature, as to secure our highest esteem for his many private and public virtues, and we should be wanting in gratitude were we to suffer the present opportunity to pass, without thus publicly tendering to him our warmest thanks for the interest he has manifested in the success of the Merchants' Magazine, and of our humble endeavors to promote the prosperity of an institution so honorable to the liberality of the MERCHANTS OF NEW YORK, and second perhaps, in its moral, intellectual, and practical tendencies to none in the country.

## DONATIONS TO THE MERCANTILE LIBRARY ASSOCIATION.

The Board of Directors have the pleasure to acknowledge the receipt of *Donations*.

*Of Books from* Thomas H. Genire, William Emerson, P. Bekcart, S. F. Crawford, George Zabriskie, Freeman Hunt, Hon. Horace Mann, Cornelius Matthews, John Keese, Prof. D. Olmsted.

*Of Autographs from* Hon. Ogden Hoffman, Giles M. Hillyer, John H. Redfield, Hon. C. C. Cambreleng, George Zabriskie, G. L. Ford.

*Of Minerals from* Rev. Charles Fox, Samuel Sloan, E. C. Bramhall, James E. Goll, John H. Redfield, M. Newberry, James Sorley.

## TO SUBSCRIBERS AND CORRESPONDENTS.

In presenting to our numerous subscribers the first number of the second half-yearly volume of the MERCHANTS' MAGAZINE AND COMMERCIAL REVIEW, we cannot allow the opportunity to pass without expressing our unfeigned thanks for the liberal patronage we have received, and the valuable literary assistance which has been tendered to us by many of the most eminent writers in the United States. The success which has hitherto attended our efforts to supply a deficiency in the mercantile literature of our country, and place within the reach of the great business community, the most useful information on subjects of paramount interest, has, we are gratified to say, placed the work beyond the reach of contingency; and neither pains, exertions, nor expense, will be spared on our part, to give it additional value on every point which can command attention or secure the liberal support of an enlightened community.

While it is our principal object to deal in facts, and furnish information of permanent value on all matters pertaining, in the largest and most comprehensive sense, to the great commercial interests of the country, our pages will be ever open to the liberal and temperate discussion of those important topics to which the Magazine is devoted.

Several valuable papers prepared for the present number, are unavoidably postponed. Among them are—

## 1. MERCANTILE LAW CASES.

2. THE THEORY OF PROFITS, by George Tucker, Professor of Moral Philosophy in the University of Virginia, Member of the American Philosophical Society, and author of the "Theory of Money and Banks," etc.

## 3. LIFE INSURANCE, by E. W. Stoughton, Esq.

4. Full and accurate Reports of the Lectures on Meteorology delivered by Professor Dennison Olmsted, before the Mercantile Library Association of New York, etc.